



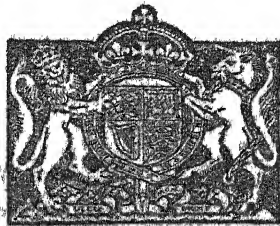
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# LEGISLATIVE ASSEMBLY DEBATES

THURSDAY, 12th MARCH, 1925

Vol. V—No. 32

## OFFICIAL REPORT



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DELHI  
GOVERNMENT OF INDIA PRESS  
1925



## LEGISLATIVE ASSEMBLY.

Thursday, 12th March, 1925.

The Assembly met in the Assembly Chamber at Eleven of the Clock.  
Mr. President in the Chair.

### QUESTIONS AND ANSWERS.

#### DISCONTINUANCE OF THE RECRUITMENT OF MUSLIM RAJPUTS OF THE AMBALA DISTRICT.

1163. **\*Mr. Abdul Haya:** (a) Have any orders been recently issued by the military authorities stopping the recruitment of Muslim Rajputs of the Ambala District in Cavalry No. 15?

(b) Have the military authorities stopped the recruitment of Muslim Rajputs in other units, both cavalry and infantry?

(c) If the answer to the above questions be in the affirmative, will the Government please state the grounds on which such orders have been issued?

(d) In view of the valuable military services rendered by Muslim Rajputs are the Government prepared to reconsider the matter and throw open the doors of military service to the Muslim Rajputs of the Ambala District?

**Mr. E. Burdon:** (a), (b) and (c). As Musalman Rajputs of the Ambala civil district, who were recruited in comparatively small numbers, did not get on well with the Musalman Rajputs recruited from the other civil districts of the Ambala Civil Division, orders were issued by the military authorities in April 1923, discontinuing their recruitment. At the time the orders were issued, no Musalman Rajputs of the Ambala civil district were serving in the 15th Lancers. These orders do not entail any reduction in the numbers of Musalman Rajputs enlisted for the Army as a whole since Musalman Rajputs of the other civil districts take the place of the Musalman Rajputs of the Ambala civil district.

(d) In view of what I have just stated, Government do not propose to rescind the orders referred to.

**Mr. K. Ahmed:** What are the particulars showing that they did not get on with the other Musalman Rajputs? Will the Government explain?

**Mr. E. Burdon:** The other people did not like them, Sir.

**Mr. K. Ahmed:** Do Government realise the difficulty and importance of a statement like this, that they did not get on? There are a lot of people here who do not like to get on, but they remain all the same. Will the Government set forth the reasons why these people are not allowed to hold their own in military service in view of the great services rendered by them during the War?



CONFISCATION BY THE CUSTOMS AUTHORITIES AT KARACHI OF A CASE OF BOOKS ADDRESSED TO MR. S. D. HASAN OF THE LABOUR PUBLISHING HOUSE, LAHORE.

1169. \***Mr. N. M. Joshi:** 1. Will Government be pleased to give the following information :

(a) Is it a fact that Messrs. Lep Transport and Depository, Ltd., International Transport Agents in London, despatched towards the end of January 1924 by the S. S. "Dumana" one case of books, marked "SDH", addressed to Mr. S. D. Hasan of the Labour Publishing House, Lahore, and that the said Company instructed their Agents in Karachi, the Eastern Express Company, Limited, Karachi, to deliver the case to Mr. Hasan at Lahore?

(b) Is it a fact that the said Eastern Express Company could not clear the case of Mr. Hasan on account of their being informed by the customs authorities at Karachi that they have confiscated the case as it contained books which have been proscribed by the Government of India?

2. (a) If the answers to (a) and (b) above be in the affirmative, will Government be pleased to state whether *all* the books in that case have been proscribed by the Government of India? If so, was Mr. Hasan or the Eastern Express Company informed to that effect? If not, why not?

(b) If the answer to earlier part of (a) above be in the negative, will they be further pleased to state whether the books in the said case that are not proscribed by the Government of India, were sent either to Mr. Hasan or to the Eastern Express Company? If so, when? If not, why not?

**The Honourable Sir Basil Blackett:** The Government have no information on the points raised. If, as would appear from the question, the case contained certain books the importation of which has been prohibited by the Governor General in Council under section 19 of the Sea Customs Act, the Collector of Customs was lawfully entitled to confiscate the case and all its contents under the first clause of section 168 of the same Act. If the Collector of Customs exercised this power, the importer has a right of appeal to the Central Board of Revenue which he does not appear yet to have exercised.

**Mr. N. M. Joshi:** May I ask, Sir, whether these books were confiscated by the orders of the Government of India or by the Collector?

**The Honourable Sir Basil Blackett:** I have already stated, Sir, that the Government have no information on the point.

EXPORT OF MONKEYS.

1170. \***Raja Raghunandan Prasad Singh:** (a) Is it a fact that of late there have been cases of enshippment in large numbers of monkeys to Europe for medical purposes?

(b) Are the Government aware that Hindus all over India have always regarded monkeys as too sacred to be molested or hurt far less killed and that though these animals abound in Brindaban, Puri, Ajodhya and other

Hindu shrines, their mischievous pranks are tolerated rather than resented by the Hindus, who attach considerable merit to feeding these animals at those shrines? Such being the case, do the Government propose to stop the export of these animals out of respect for the Hindu religious sentiment in regard thereto?

**The Honourable Sir Alexander Muddiman:** The Honourable Member's attention is invited to the answer given by Mr. Tonkinson on the 2nd February 1925 to Mr. S. C. Ghose's question on the same subject. Replies have been received from local Governments, and the matter is under the consideration of the Government of India.

**Mr. K. Ahmed:** Will the Government be pleased to inquire at the same time and see the difficulties of the people that specially the young children are very often scratched by these monkeys in the streets and certainly it is against the public interests, unless there are certain laudable grounds for supporting the view that this is a religious matter?

**The Honourable Sir Alexander Muddiman:** No, Sir, the Government will make no inquiries.

#### CONSTRUCTION OF A RAILWAY FROM AMRITSAR TO NAROWAL.

1171. **\*Mr. S. Sadiq Hasan:** (a) Is it a fact that the Government intend to construct a branch line from Amritsar to Narowal?

(b) If so, is it proposed to have a railway station at Dharamkote Raudhava the centre of Kakezai community?

**The Honourable Sir Charles Innes:** (a) Government have ordered a survey to be made for a railway from Narowal to Amritsar and will await the results of the survey before deciding whether the line should be constructed or not.

(b) The question of providing a railway station at Dharamkote should be referred to the Agent, North Western Railway, under whose orders the survey is being carried out.

#### DEPOSITS MADE BY HAJ PILGRIMS FOR THEIR RETURN JOURNEYS FROM JEDDAH TO INDIA.

1172. **\*Maulvi Mohammad Shafee:** (a) What was the sum asked to be deposited by the Haj pilgrims during the last Haj season at the ports of embarkation in British India on account of the return fare from Jeddah to Bombay or to Karachi?

(b) On what basis was the sum to be deposited calculated?

(c) Was the Central Haj Committee consulted in fixing the amount?

(d) What was the authority that finally fixed the amount?

(e) With whom were the deposits made?

(f) What was the total amount thus deposited by the Haj pilgrims at each of the ports of embarkation?

(g) Was any Haj pilgrim exempted from the deposit system? If so, how many and on what ground?

**Mr. J. W. Bhore:** (a) Rs. 60 per pilgrim.

(b) to (g). The information is being collected and will be communicated to the Honourable Member in due course.

DEPOSITS MADE BY HAJ PILGRIMS FOR THEIR TRAVEL  
JEDDAH TO INDIA

1173 **Maulvi Mohammad Shafee:** (a) How much money has been spent from Haj pilgrims in deposit spent?

(b) Under whose orders were the amounts made?

(c) If the amounts were given to the pilgrims, what amounts paid to each of the shipowners? What exact number of pilgrims which they received in the ship?

(d) What is the amount still lying in the bank?

**Mr. J. W. Bhore:** Sir, with your permission I shall answer the first and the next question together.

The information is being collected and will be given to the Honourable Member in due course.

DEPOSITS MADE BY HAJ PILGRIMS FOR THEIR TRAVEL  
JEDDAH TO INDIA

1174 **\*Maulvi Mohammad Shafee:** (a) What was the amount of the deposit paid by Haj pilgrims made?

(b) If so, how many such claims had been presented? How many have been satisfied and how many claims have been refused?

(c) What is the balance of the amount deposited for the Haj pilgrims and what amount has been returned to them?

AMENDMENT OF ELECTORAL ROLLS FOR THE COUNCIL OF STATE

1175 **Mr. C. S. Ranga Iyer:** How many applications have been made to the Government of India in the Home Department and to the Members of the Council of the Allahabad University, residing at Calcutta and Allahabad, praying that, in view of the Government of India, Home Department Notification No. P-80724, dated the 17th December 1921 published in the *Gazette of India* of the 20th December 1921, the newly published electoral rolls for the Council of State, in the United Provinces be amended, under rule 9, sub-rule (6) of the Council of State Electoral Rules and their names entered on them? What action has been taken or is proposed to be taken on these applications?

**Mr. L. Graham:** Forty such applications were received. The applicants have been informed that the Government of India contemplate a general resort to sub-rule (6) of rule 9 of the Council of State Electoral Rules as a preliminary to the next general election, and that in these circumstances they consider that no purpose would be served by procedural action under the sub-rule in question at this stage.

**Mr. C. S. Ranga Iyer:** Sir, I hope by the time the election comes those who are legally qualified will have the right to vote because it interferes with the legal right of Members.

**Mr. L. Graham:** That is the intention of Government, Sir.

† For answer to this question, see below question No. 1173

ADDRESSES TO THE JUDICIAL COMMITTEE OF THE PRIVY COUNCIL

1176 **Mr. Gaya Prasad Singh** (a) Will the Government be pleased to state there is any proposal to add to the Judicial Members of the Privy Council hearing appeals from India? And if so is any part of the cost to be borne by the full or India?

(b) Has there been any correspondence on this subject between the Government of India and the Secretary of State, and if so will the Government be pleased to state the result?

**The Honourable Sir Alexander Muddiman:** (a) and (b) The Government have been spending a good deal on this subject between the Government of India and the Secretary of State. As I stated in this House on the 17th of February I have seen opinions to the effect that the Indian ex-Judges who sit with the Judges of the Judicial Committee to hear Indian appeals should be strengthened.

DISCONTINUANCE OF THE COMBINED ALLAHABAD DELHI AND DELHI EXPRESS FROM THE 1ST OF MARCH 1925

1177 **Maulvi Muhammad Yakub** (a) It is the intention of the Government to discontinue a note on page 3 column 3 of the *Leader* of Allahabad dated Friday the 27th February, 1925 about the discontinuance of the combined Allahabad Delhi and Delhi express train from the 1st of March 1925.

(b) Did the Government propose to draw the attention of the Government of India to the railway administration towards the inconvenience of the Allahabad passenger and direct that the discontinued train be again continued?

**The Honourable Sir Charles Innes.** Government will forward the Honourable Member's question to the Agent though they have no doubt he has already seen the complaint referred to.

ALLEGED DISAPPEARANCE OF CARPETS BELONGING TO THE COMMERCE DEPARTMENT

1178 **Mr. Chaman Lall** 1 Is it a fact that, in 1923, the office of the Commerce Department was shifted from the Kennedy House building to the Railway Board building in Simla, and that the Department had at that time some recently bought valuable carpets for use in officials' rooms?

2 Is it also a fact that these carpets were neither left behind in the Kennedy House, nor were taken to the Railway Board building? If so do Government propose to make an inquiry as to the whereabouts of the missing carpets?

3 Will the Honourable the Commerce Member please state if there is any system of periodical stock-taking in vogue in his Department? If so, is he satisfied that all items of furniture purchased for the Department during the last three years have not suffered a similar fate? If any valuable articles are missing, can he locate official responsibility in regard to the event?

**The Honourable Sir Charles Innes:** Commerce Department moved from Kennedy House building to the Railway Board building in Simla in 1923. It had not bought carpets for the officers' rooms a short time before the move nor did any carpet disappear during the move.

A list of furniture is maintained and the stock of furniture is checked periodically.

FURNITURE OF THE DECK PASSENGERS' COMMITTEE AND THE FISCAL COMMISSION.

1179. **\*Mr. Chaman Lall:** (i) Will the Honourable the Commerce Member please state

(a) whether any non-perishable furniture was purchased for the Deck Passengers' Committee and the Fiscal Commission? If so, what did it consist of and what was its cost?

(b) Whether, on the dissolution of these Committees, the furniture in question was sold off; and if so, what were the sale proceeds?

(ii) If the answer to (b) in the preceding question is in the negative, what has happened to the furniture?

**The Honourable Sir Charles Innes:** The Government understand that whatever furniture was purchased for the two Committees was sold under the orders of the Finance Department and the proceeds credited to Government.

DISCUSSION OF THE REPORT OF THE REFORMS INQUIRY COMMITTEE.

**Diwan Bahadur M. Ramachandra Rao:** May I ask a question, Sir, of which I have given private notice to the Honourable Sir Alexander Muddiman?

Will the Government be pleased to state whether adequate facilities would be afforded for the discussion of the Report of the Reforms Inquiry Committee before the end of the current session, and the date or dates which the Government are prepared to set apart for such discussion?

**The Honourable Sir Alexander Muddiman:** Government have very carefully considered whether it would be possible to afford special facilities for discussing the report of the Reforms Inquiry Committee at an early date. They find, however, that it would be impossible for them to announce their provisional conclusions upon the recommendations in the Report during the current session. Government have therefore decided not to afford special facilities for discussion during the current session. An opportunity for discussion will, however, be granted during the next session and before Government arrive at their final conclusions.

**Diwan Bahadur M. Ramachandra Rao:** May I suggest, Sir, to the Government that they will consider the advisability of calling a special May session for this purpose in view of the fact that His Excellency the Viceroy is going to England for discussing all outstanding questions including the question of reforms? May I ask whether it is not desirable that His Excellency the Viceroy and the Secretary of State should have before them the views of this House on the very important questions which are discussed in this Report?

**The Honourable Sir Alexander Muddiman:** It is certainly desirable that whenever final orders are passed, the views of this House should be before the authorities concerned, but as the Honourable Member is aware, His Excellency will not return to India by May.

**Diwan Bahadur M. Ramachandra Rao:** I did not suggest that His Excellency should be present at the discussion. I never suggested that. All that I said was that His Excellency the Viceroy is going to Great Britain, and the subject of discussing the question of the reforms and that, if this matter is brought up before the House for discussion in the September session, the decision would have been taken by both His Excellency and the Secretary of State before that date.

**The Honourable Sir Alexander Muddiman:** I think the Honourable Member is under a misapprehension. I have stated that no final orders will be passed on the Report until this House has had an opportunity of giving expression to its views. It is impossible for the Government abruptly to discuss this matter unless they are in a position to state their own policy.

**Diwan Bahadur M. Ramachandra Rao:** May I know, Sir, when the Government are likely to come to their provisional conclusions?

**The Honourable Sir Alexander Muddiman:** I should think not earlier than in the early part of August.

**Pandit Motilal Nehru:** Do I understand the Honourable Member to mean that if a Resolution is tabled in this House, he will afford facilities for discussion during the current session?

**The Honourable Sir Alexander Muddiman:** I have not quite heard the Honourable Member. Would he repeat his question?

**Pandit Motilal Nehru:** Will it be possible for the Honourable Member to afford facilities for discussion on a Resolution if it is moved by a non-official Member during the current session?

**The Honourable Sir Alexander Muddiman:** I have already explained, Sir, that Government are not prepared to give special facilities.

**Diwan Bahadur M. Ramachandra Rao:** May I know, Sir, what the Honourable Member means by special facilities? There must be a day set apart if this subject is taken up on a non-official day, otherwise an official day will have to be given.

**The Honourable Sir Alexander Muddiman:** Government have no intention of giving facilities for a special discussion on this Report for the reasons I have stated, namely, they are not in a position to put their own case before the House. That being so, they consider that any such discussion must necessarily be of an infructuous and useless character.

**Mr. V. J. Patel:** Do the Government recognise that the meaning of it is that you drive this House to force a discussion by way of adjournment of the House?

**The Honourable Sir Alexander Muddiman:** The Honourable Member has of course open to him the facilities which are open to other Members.

**Mr. R. K. Shanmukham Chetty:** Does the Honourable Member realise that the Government of India might ascertain the views of this House before they arrive at any provisional conclusions on this matter? It will be helpful to Government if they know the views of this House before they arrive at provisional conclusions.

**Mr. E. Burdon.** No, Sir. The number of direct commissions depends on the number of vacancies that occur, and at present the number is restricted to one vacancy in four for cavalry and one vacancy in five for infantry.

PAUCITY OF MUHAMMADANS IN THE CLERICAL LINE OF POST OFFICES  
AND THE CIRCLE OFFICE OF THE PUNJAB AND N. W. F. CIRCLE.

238. **Mr. S. Sadiq Hasan:** (a) Are the Government aware of the small number of Muhammadans in the clerical line of Post Offices and the Circle Office of the Punjab and N. W. F. Circle?

(b) If so, have any steps been taken to increase their number and with what result?

(c) If no steps have been taken, do the Government propose to take up this question?

**Sir Geoffrey Clarke:** (a) and (b). Out of 2,980 clerical appointments in Post Offices in the Punjab and N. W. F. Circle, 1,056 are held by Muhammadans. In the Circle Office out of 89 clerical appointments 35 are held by Muhammadans and the rest by other communities. These figures show that Muhammadans are substantially represented both in the Circle and in the circle office. Special steps have been taken to encourage Muhammadan recruitment with the result that during the last 2 years some 300 Muhammadan candidates were examined for admission to the postal service. Of this number, however, only 160 proved fit for selection.

(c) Does not arise.

PAUCITY OF MUHAMMADAN POSTMASTERS IN THE PUNJAB POSTAL CIRCLE.

239. **Mr. S. Sadiq Hasan:** (a) Is it a fact that the number of Muhammadan postmasters in the Punjab Postal Circle is almost negligible?

(b) If so, do the Government propose to increase their number?

**The Honourable Sir Bhupendra Nath Mitra:** (a) Of the 38 postmasters in the selection and gazetted grades 8 are at present Muhammadans.

(b) The postmasterships are filled by the promotion of the senior qualified officials in the lower grades and Government are not prepared to depart from this principle.

RECRUITMENT OF MUHAMMADANS IN THE AMRITSAR HEAD POST OFFICE.

240. **Mr. S. Sadiq Hasan:** (a) Is it a fact that the recruitment of Hindus was stopped by the Postmaster General, Punjab, in the Amritsar Head Office and that the Muhammadans and Sikhs were allowed to be recruited?

(b) If so, will the Government be pleased to state how many Hindus, Muhammadans and Sikhs have since been recruited?

(c) If no Muhammadan was recruited, will measures be taken to ensure compliance with the P. M. G.'s orders?

**The Honourable Sir Bhupendra Nath Mitra:** (a) Yes, except in the case of Hindus who were graduates or undergraduates.

(b) Three Sikhs and one Muhammadan were recommended by the Postmaster, Amritsar. Two Sikhs were accepted and the other candidates were rejected by the Postmaster General as they could not pass the test. One Hindu candidate was also accepted by the Postmaster General as a special case.

(c) Government do not propose to interfere.

#### DISCHARGE OF TWO MUHAMMADAN APPROVED CANDIDATES WITH THREE YEARS' TEMPORARY SERVICE IN THE AMRITSAR POST OFFICE.

**241. Mr. S. Sadiq Hasan:** (a) Is it a fact that two Muhammadan approved candidates having three years' continuous temporary service in the Amritsar Post Office were turned out of the service by the Postmaster, Amritsar, in October 1923, merely for claiming seniority over non-Muhammadans recruited long after them?

(b) If so, are the Government prepared to inquire into this matter?

**The Honourable Sir Bhupendra Nath Mitra:** (a) and (b). Government have no information. If any individual has a grievance, he is at liberty to appeal in the usual manner.

#### POLICY OF MUHAMMADANS IN THE TELEGRAPH DEPARTMENT.

**242. Mr. S. Sadiq Hasan:** (a) Are the Government aware that the number of Muhammadans is very small in the superior Traffic and Engineering Branches of the Telegraph Department in India?

(b) Is it also a fact that the number of Muhammadans is very small in the signalling, clerical and supervisory lines in the Traffic and Engineering Branches of the same Department?

(c) If the answer to (a) and (b) is in the affirmative, are the Government prepared to adopt measures in order to increase the number of Muhammadans in the above branches of the said Department?

**The Honourable Sir Bhupendra Nath Mitra:** (a) Yes.

(b) Yes.

(c) All the officials in the classes referred to in (a) and (b) are recruited as ordinary telegraphists in the first instance. Recruitment of telegraphists through Departmental training classes is closed at present. When it re-opens, candidates will be invited from the open market and a preliminary competitive examination will be held as required under the rules of the Department. If Muhammadan candidates with minimum qualifications are then forthcoming they will be taken as probationers for employment as telegraphists.

Appointments to the clerical establishment in the Traffic and Engineering Branches are made from qualified candidates. Suitable and qualified Muhammadans are also appointed when available.



THE GENERAL BUDGET—LIST OF DEMANDS—*contd.*

SECOND STAGE—*contd.*

*Expenditure from Revenue—contd.*

DEMAND NO. 18—SALT—*contd.*

**Mr. President:** The Assembly will now resume consideration of Part II of the Budget. The question under discussion was:

“That a reduced sum not exceeding Rs. 1,11,25,900 be granted to the Governor General in Council to defray the charge which will come in course of payment during the year ending the 31st day of March, 1926, in respect of ‘Salt’.”

MANUFACTURE OF SALT BY PRIVATE ENTERPRISE.

**Mr. C. Duraiswami Aiyangar** (Madras ceded districts and Chittoor, Non-Muhammadian Rural): Sir, the object of my motion,

“That the Demand under the head ‘Salt’ be reduced by Rs. 50 lakhs.”

is for the purpose of drawing the attention of the Government to a most important point and at the same time to suggest how the expenditure can be considerably reduced. Sir, when this question of salt administration was taken up on the last day for discussion, unfortunately the entire debate turned into a question of inter-provincial fratricidal amenities, Mr. Willson on the one side refusing and swearing that he will not take Madras salt and Sir Gordon Fraser on the other side attempting to thrust it down his throat. I am not very anxious whether Mr. Willson takes Madras salt or Bombay salt, but I am certainly anxious that not only Indians but even Englishmen, so long as they live in India, should take Indian salt and not foreign salt, for they will be truer to India than they are at present.

**Khan Bahadur W. M. Hussanally:** Do they not do so now?

**Mr. C. Duraiswami Aiyangar:** One important point that I wish to place before this House is the question whether the Government, in its policy, in its administration of the Salt Department, is supplying to India the quantity that is necessary for consumption. Sir, we are told in the Memorandum that 5 crores of maunds roughly is the quantity that is required for consumption in India. But you will all remember, or such of you as have read the speeches of the late Gopal Krishna Gokhale will remember, that he drew pointed attention to high medical opinion that 20 lbs. per head is necessary for keeping up healthy existence. Sir, the advice which I have had from medical officers ever since goes to confirm the same view and you will find that the Indian Government are not supplying to the people of India the quantity which is absolutely necessary. If you take even 5 crores of maunds to be distributed for consumption in India among the 318 millions, you will find that it comes to only between 12 and 13 lbs. per head of human population.

**Mr. A. H. Lloyd** (Member, Central Board of Revenue): What about babies? My point is whether babies and small children require 20 lbs. per head.

**Mr. C. Duraiswami Aiyangar:** I am prepared to give a margin for it, and I am going to mention another item for which my Honourable friend will have to allow a margin. (Mr. K. Ahmed: "What about cattle?") The cattle of India require as much salt as men require. I know that in the Madras Presidency the agriculturist would rather spare his own salt than spare the salt of his cattle and if you calculate upon that basis, you will not come even to 6 lbs. per head. Sir, if you take both the cattle as well as human beings into consideration, deducting the babies, then, Sir, I dare say that you will require at the very least 25 lbs. and you will have to produce at the very least 9 crores of maunds of salt every year. If you are going to supply not only with 5 crores or 4.80 crores, how do you expect India to keep up its healthy existence, particularly as you are distributing side by side opium, the health taker? I therefore think that it is absolutely necessary for Government to enlarge their production of salt to such an extent.

**Mr. President:** The matter was under discussion last week and we had a very long discussion on the desirability of expanding the production of salt in India. The Honourable Member must find some other subject to discuss.

**Mr. C. Duraiswami Aiyangar:** I am only suggesting that by reducing the expenditure on salt production and increasing the private manufacture of salt with, at the same time, Government control and supervision over such manufacture you will not only increase the manufacture of salt but reduce the cost of salt and thereby improve consumption of salt in the country. It is for that purpose that I have placed these facts before you, Sir. I may state that my primary reason for proposing a cut of Rs. 50 lakhs is that the salt that is manufactured in this country must be manufactured purely by private enterprise, Government only keeping a measure of control and supervision over manufacture and distribution. On the other hand, what the Government have been doing is to close down even those factories which at present exist, and the Salt Administration Report of the Madras Presidency will show, as has been pointed out by my Honourable friend, Mr. Venkatapatinja, that they have already closed down 5 factories and that Surda is awaiting its fate.

**Mr. President:** I have already pointed out that we had a discussion on the subject last week and we cannot go back on that now.

**Mr. C. Duraiswami Aiyangar:** I am not going back on that, but I am only reminding Honourable Members of what has been already said by Mr. Raju.

**Mr. President:** The Honourable Member, by admitting that it has already been said, must be aware that he is now out of order.

**Mr. C. Duraiswami Aiyangar:** Without saying more about these points about which at every stage I shall certainly be hampered by relevancy, I will reserve the rest of my remarks on this motion for the Finance Bill. Suffice it to say that if you reduce the expenditure on the production of salt, and by reducing the tax on salt you will increase the popularity of salt, you will make it cheaper and thereby encourage a greater consumption of salt, and for further figures I will reserve my remarks for the Finance Bill. For the present I submit that the function of Government should be merely one of supervision and that the mines as well as factories on the sea-coast should be given on modified excise license, particularly as

[Mr. C. Duraiswami Aiyangar.]

you hear from the Madras Government that the modified because salt is becoming popular among merchants. That will save for minor the necessity of purchasing large bags of salt and ultimately decrease them as nobody would purchase them.

**Mr. K. Ahmed:** What about smuggling?

**Mr. C. Duraiswami Aiyangar:** I leave it to you.

**Mr. President:** Reduction moved:

‘ That the Demand under the head ‘ Salt ’ be reduced by Rs. 50 lakhs.

The motion was negatived.

#### CAPITAL COST CHARGED TO REVENUE.

**Mr. Jamnadas M. Mehta** (Bombay Northern Division: Non-Muhammadan Rural): Sir, I beg to move:

“ That the Demand under the head ‘ Salt ’ be reduced by Rs. 14,93,000 ”

Sir, we have been discussing salt so much that it is time some paper was added to it and in course of time chillies would follow. If the House will turn to page 18 of the Demands for Grants, they will find that under the Northern India Salt Revenue Department it is proposed to incur during the next year an expenditure of Rs. 14,93,000 of a capital character. Now, Sir, it is not right that revenue should be saddled with the cost of capital enterprise; the objects on which the expenditure is proposed to be incurred clearly show that it cannot be charged to revenue. Out of this Rs. 14,93,000, Rs. 1,72,000 is proposed to be spent on the purchase of locomotives, brake vans and trucks, over Rs. 75,000 on staff quarters, Rs. 7,62,000 on the development of salt mines, Rs. 1,12,000 on the purchase of sidings from the Bombay, Baroda and Central India Railway Company, I think. In these and other ways, expenditure which ought to be spread over a series of years—because neither staff quarters, nor development of salt mines, nor locomotives will have their usefulness exhausted in the course of one year—is charged to the revenue of next year. I therefore submit that this expenditure of Rs. 14,93,000 should be spread over a series of years and not charged to the revenues of next year alone. It is in this way that the Finance Member has been concealing surpluses. He keeps in his outside pocket a surplus of Rs. 74 lakhs, but if you explore his coat there are small pockets here, there and everywhere in which sometimes lakhs, sometimes crores lie hidden, and, as I proceed further, it will be my duty to show how much more money lies concealed which should not have been charged to revenue but spent for the remission of taxation. For the present under the head Salt I propose that a reduction of Rs. 14,93,000 should be made. If you look at page 9 of the Explanatory Memorandum we are told in paragraph 16:

“ A commercialised system of accounting has been introduced since 1924-25 in the Northern India Salt Revenue Department, according to which a depreciation fund to provide for renewals and replacements has been started and interest on the capital outlay is added to the expenditure.”

If the Salt Department is being commercialised, and it is proper that it should be, then there should be some system of allocation of expenditure between capital and revenue, and it is clear from the nature of the expenditure which I have just described—on staff quarters, development of mines, purchase of locomotives and so on—that it should not be charged to revenue thereby penalising the tax-payer who should be relieved to the extent of Rs. 14,93,000. Therefore, I hope the House will realise that this expenditure should be deducted from the revenue and charged to capital. I am not objecting to the expenditure itself. The whole of it may be very proper. We require the development of mines, we require staff quarters for the subordinates, but my whole contention is that the expenditure on such objects is of such a character that it cannot be charged to revenue because nearly 30 years or more will elapse before the usefulness of the whole of this new expenditure will have been exhausted. Therefore it does not stand to reason that a whole generation of people should have the benefit of these developments and this year's tax-payer alone should be made to pay for them. That is my justification for moving this reduction.

**Mr. President:** Reduction moved:

“That the Demand under the head ‘Salt’ be reduced by Rs. 14,93,000.”

**Mr. R. K. Shanmukham Chetty** (Salem and Coimbatore *cum* North Arcot: Non-Muhammadan Rural): I would like to ask the Honourable the Finance Member whether these items of expenditure on the capital outlay on salt works which are being charged to revenue have been in previous years charged to the capital account, and if so, I would like to hear an explanation as to why a change of practice has been introduced in the system. As my Honourable friend, Mr. Jamnadas Mehta, has pointed out very clearly, these items of expenditure must clearly go to the capital account and not to the revenue account. I would like to have an explanation on this point from the Honourable the Finance Member.

**Mr. N. M. Joshi** (Nominated: Labour Interests): I would also like the Honourable Member in charge of the Department to give me some information as regards the business of manufacture of salt. We have been told that the accounts of this Department are now commercialised. I would like to know what is the capital which Government have invested in this industry. Even though money has been spent from revenue, the money spent on buildings, machinery, and such other things, must now be considered as capital invested in that industry. I would also like to know from Government what is the value of the salt which they produce with this capital and what is the profit or loss which they make in this industry. I find that the Government of India are spending one crore 11 lakhs on these departments and they are getting from this department a revenue of 6 crores of rupees. I think, considering this as a tax, this is too large a percentage to expend, namely, more than 16 per cent. for the collection of a tax. The salt tax is bad on moral grounds as well as on economic grounds, but, Sir, the salt tax is bad also on this business ground, namely, that it takes more for its collection than many other taxes. I would therefore like the Government of India to give an explanation on this point.

There is another matter on which I would like the Government of India to give an explanation in connection with this Demand. From the details given as regards this Demand I find that the Government of India are spending about 10 lakhs of rupees as new expenditure which has been

[Mr. N. M. Joshi.]

shown in this book of Demands in black type, but I find that the expenditure for this year is 15 lakhs more than the revised estimate for the past year. I do not find a clear explanation of this increased expenditure. Moreover, I would like to ask the Government of India whether they place increased expenditure before the Standing Finance Committee for its sanction. I find from the report of the Standing Finance Committee that new items of expenditure have been placed before the Standing Finance Committee, but it is not the practice of the Government of India to place increased expenditure on old items before the Standing Finance Committee. The Standing Finance Committee will not be of much use if Government do not consult it when they increase the expenditure on items on which they have been spending some money. I therefore want to know from the Honourable the Finance Member whether he does not think it advisable to place additional expenditure on old items also before the Standing Finance Committee for its approval. As regards the point raised by my friend from Bombay, I heartily support his view that the money spent on capital expenditure should not be debited to revenue account but should be spent from capital account.

**Mr. A. Rangaswami Iyengar** (Tanjore *cum* Trichinopoly Non-Mulimadan Rural): I do not desire to make a speech but only to call attention to one fact on which I should like to know the policy of the Government. My friend Mr. Jannadas Mehta has rightly pointed out that the habit of charging to revenue capital expenditure has become more or less chronic, but on the other hand, I find the Government of India in their instructions to the Madras Government have laid down a definite principle to be adopted in charging capital expenditure to revenue. I find Sir, in the Memorandum of the Madras Government on their Budget for 1925-26, they have stated on page 67 that "the Government of India have since decided that expenditure on civil works costing less than 5 lakhs should be met from revenues". Therefore, according to the Government of India's own principle expenditure which is above 5 lakhs ought to be charged to capital account and not to revenue account. On that basis the notion of my friend Mr. Jannadas Mehta is on the Government of India's own decision sound and the amount is bound to be charged to capital and not to revenue.

**Sardar V. N. Mutalik** (Gujarat and Deccan Sardars and Inamدارs: Landholders): In this connection I am glad that the larger question has been raised by my Honourable friend Mr. Jannadas Mehta. The real question in this case is that Government should clearly lay down for the guidance of this House the principle on which expenditure is charged either to capital or to revenue. Some of these items to my mind ought to go to revenue account and some of these ought to go to capital account. For example, the purchase of trucks, brake vans and locomotives. This is an item which ought really to go to capital account. I myself do not think that a limit of 5 lakhs or 10 lakhs or one lakh is a proper test. We must go on the principle. We must not go by any amount in deciding as to what ought to be the proper test for debiting this expenditure to one head or the other.

The next question was raised by my Honourable friend Mr. Joshi with regard to the powers of the Standing Finance Committee. At present only new expenditure is placed for sanction before the Standing Finance Committee. I suppose that is the practice, but I am not quite sure if increased expenditure on items already sanctioned is ever placed before

the Standing Finance Committee and whether the Standing Finance Committee has got any power to check the constantly increasing expenditure on some items. A definite statement of the policy of Government with regard to these two items, namely, expenditure which is either charged to revenue or capital, and the powers of the Standing Finance Committee, is desirable and I hope the Honourable the Finance Member will make a statement on these two points.

**The Honourable Sir Basil Blackett** (Finance Member): I will deal first with the question of the powers of the Standing Finance Committee which has incidentally arisen in this connection. The position is that every new item of votable expenditure comes before the Standing Finance Committee. If there is additional expenditure in the normal course on salaries, owing to incremental scales of salary or other ordinary inevitable increases, they are not put before the Standing Finance Committee. But no increase that is purely of an optional nature is included in the Budget without the approval of the Standing Finance Committee.

I next come to the main point that has been raised by Mr. Jamnadas Mehta. I would say at once in answer to Mr. Chetty that this is not a new principle, that the inclusion of items of this sort in the revenue expenditure has been the practice followed from the beginning of time in the Government of India, so far as I know. There has been no change in practice this year. The change that is proposed by Mr. Jamnadas M. Mehta would be a new departure (*Mr. Jamnadas M. Mehta*: "A wholesome departure.") Mr. Jamnadas M. Mehta says it would be a wholesome departure. I heard something the other day about frenzied finance. I think that Mr. Rangaswami Iyengar's suggestion that any item over 5 lakhs should be charged to capital would enable us to introduce a very nice budget this year but would not be easy to characterise it otherwise than as frenzied finance. The reference that was made to the Madras Government's publication was, I am afraid, misunderstood by my Honourable friend. We have had under careful consideration the question of the limits within which it is proper or desirable to allow Provincial Governments to borrow for purposes which are not strictly reproductive. There are existing rules on the subject which are always very carefully interpreted which do allow borrowing in the case of Provincial Governments not merely for reproductive purposes such as irrigation, but also for certain items which are either of a semi-productive nature or are even of an onerous nature but are large capital outlays of a kind which it is difficult for a Provincial Government to finance out of the revenue of the year; and in connection with the Provincial Loans Fund we are trying to get that practice a little more clearly defined. But this is a practice that applies strictly only to the Provincial Governments, and if I am asked for a principle in regard to the Government of India as to what purposes it is proper to borrow for and what that principle is, I should answer unhesitatingly that borrowing by a Government in the position of the Government of India ought to take place only for productive purposes: strictly speaking, I should say only for railways and irrigation and things of that sort. (*A Voice*: "Delhi.") Delhi is quoted against me. I think that the fact that we are borrowing for Delhi is a defect in our existing budget and a strong argument for not playing any more pranks of the kind which is proposed now by Mr. Jamnadas M. Mehta or making attempts to reduce the provision that is made for reduction or avoidance of debt. There is a very interesting article in the Indian Journal of Economics for last July by Dr. John Mathai which

[Sir Basil Blackett.]

I think Mr. Jamnadas M. Mehta and others would like to read the report which I have just read as a whole, in which this whole question of the public programme is rather carefully discussed. Dr. John Mathai comes to the conclusion that there is a very considerable danger of over-borrowing for capital things that ought to be charged to revenue, and looks with good deal of suspicion on the tendency in the case of the Provincial Governments to get out of immediate difficulties by borrowing for what is described as public works.

**Mr. Jamnadas M. Mehta:** Will you kindly read Mr. Mathai's article?

**The Honourable Sir Basil Blackett:** I shall be glad to read this to the Honourable Member.

**Mr. Jamnadas M. Mehta:** Thanks, but I am asking you to read Madon.

**The Honourable Sir Basil Blackett:** I prefer Mathai. (Laughter.) What is proposed here is that we should really ease our difficulties by changing a very old standing practice and set to work to increase amount that we borrow in order to increase the size of our surplus. I have already had occasion this session to draw the attention of the House to the fact that the Government of India and the Provincial Governments between them have already a very heavy capital programme of development. For purposes of development they require to come into the market and raise very large sums in the next few years in addition to the difficulties with which they are faced in connection with maturing debt over and above the amount that is required to be borrowed. That is the immediate effect of this proposal—it means probably additional difficulty in raising the sum required, probably some additional interest on the whole of the borrowings both of the Central Government and of the Provincial Governments in so far as we have either to renew or borrow new money, and possibly to restrict the amount that we shall be able to borrow for the purpose of real capital development such as railways and irrigation. I would therefore suggest to this House that it would be a very foolish policy to set to work at this stage to transfer to capital and borrow for the purpose of meeting it items such as those which have been for many years treated as ordinary revenue charges. It is one thing to commercialize the accounts of a Department. I think it is a very good thing that you should do so; but the fact that you commercialize the accounts of a Department and make a distinction in those accounts between what items are strictly of a revenue character and what items are of a capital character does not at all necessarily lead to the conclusion that you should borrow for the purpose of those capital items. On the contrary, I think that any such policy would be extremely dangerous and that the Government of India with the full support of this House should set their face against any proposal of that sort and should lay down as their policy that they will borrow only for purposes of productive development. That is the policy that I would strongly advocate.

I have been asked, what is the amount of capital charged already in this connection? I have not got the exact figure, but I think it is about 70 lakhs. That is the depreciated block value—70 lakhs—according to the accounts as we have drawn them up. (Inaudible interruption.) That is the block value of the capital expended up to date—depreciated. I have

been asked why it is that this Demand shows an increase as compared both with the revised and the original budget estimate of last year. The increase is very largely explained by the introduction for the first time of the commercial account. Honourable Members will find on page 19 that there is a depreciation charge of 3 lakhs and interest charges on capital outlay of 3 lakhs 37 thousand which practically account for the whole of this increase. Of course to a considerable extent that is simply a transfer of this charge from the Interest vote to this vote.

I have endeavoured to meet all the points that arise. I would once again impress on the House the danger of trying to relieve immediate difficulties by having recourse to the dangerous habit of borrowing, with the inevitable result that in a very short time the additional charges for interest would more than eat up the amount that is saved, and serious obstacles would be placed in the way of that developmental capital expenditure to which we attach such great importance, our capital expenditure on railways and irrigation and works of that sort. It must be remembered that it is not only our capital expenditure but the capital expenditure of all our industries which is affected by the rate of interest at which we borrow.

**Mr. President:** The original question was:

"That a resolution should not exceeding Rs. 1,11,25,900 be passed to the Governor (or a Committee) to defray the charge which will come in course of payment during the year ending 31st day of March, 1926, in respect of 'Salt'."

Since which an amendment has been moved:

"That the Demand under the head 'Salt' be reduced by Rs. 14,93,000."

The question I have to put is that that reduction be made.

The Assembly divided.

AYES—50.

Abdul Karim, Khawaja.  
Abdurrahman, Mr. M. V.  
Acharya, Mr. M. K.  
Aiyangar, Mr. C. Duraiwaram.  
Aiyangar, Mr. K. Rama.  
Aney, Mr. M. S.  
Ariff, Mr. Yacoub C.  
Belvi, Mr. D. V.  
Bhat, Mr. K. Sadasiva.  
Chaman Lall, Mr.  
Chanda, Mr. Kamini Kumar.  
Chetty, Mr. R. K. Shanmukham.  
Das, Pandit Nilakantha.  
Datta, Dr. S. K.  
Dutt, Mr. Amar Nath.  
Goswami, Mr. T. C.  
Gulab Singh, Sardar.  
Hans Raj, Lala.  
Hari Prasad Lal. Rai.  
Iyengar, Mr. A. Rangaswami.  
Jeehani, Haji S. A. K.  
Joshi, Mr. N. M.  
Kazim, Ali, Shaikh-e-Chatgam  
Maulvi Muhammad.  
Kelkar, Mr. N. C.  
Lohokare, Dr. K. G.

Malaviya, Pandit Madan Mohan.  
Mehra, Mr. Jemadas M.  
Mishra, Pandit Shambha Dayal.  
Mishra, Pandit Harharan Nath.  
Murtuza Sahib Bahadur, Maulvi  
Sayad.  
Nambiyar, Mr. K. E.  
Narain Dass, Mr.  
Nehru, Dr. Kishenlal.  
Nehru, Pandit Motilal.  
Nehru, Pandit Shamlal.  
Neogy, Mr. K. C.  
Patel, Mr. V. J.  
Phookun, Mr. Tarun Ram.  
Ranga Iyer, Mr. C. S.  
Ray, Mr. Kumar Sankar.  
Roy, Mr. Bhabendra Chandra.  
Samiullah Khan, Mr. M.  
Sarda, Rai Sahib M. Harbilas.  
Shafec, Maulvi Mohammad.  
Singh, Mr. Gaya Prasad.  
Sinha, Mr. Ambika Prasad.  
Sinha, Mr. Devaki Prasad.  
Sinha, Kumar Ganganand.  
Swaracharan, Mr.  
Tuk Kyi, Maung.



## NOES—56.

Abdul Mumin, Khan Bahadur Muhammad.	Hyder, Dr. L. K.
Abdul Qaiyum, Nawab Sir Sahibzada.	Innes, The Honourable Sir Charles.
Abul Kasem, Maulvi.	Lindsay, Mr. Darcy.
Almad Ali Khan, Mr.	Lloyd, Mr. A. H.
Ahmed, Mr. K.	Makan, Mr. M. E.
Aiyer, Sir P. S. Sivaswamy.	Mair, Mr. A.
Ajab Khan, Captain.	McCallum, Mr. J. L.
Alimuzzaman Chowdhry, Mr.	Mitla, The Honourable Sir Bhupendra Nath.
Ashworth, Mr. E. H.	Moor, Mr. T. E.
Badi-uz-Zaman, Maulvi.	Muddiman, The Honourable Sir Alexander.
Bhore, Mr. J. W.	Muhammad Ismail, Khan Bahadur Saiyid.
Blackett, The Honourable Sir Basil.	Naidu, Mr. M. C.
Bray, Mr. Denys.	Rajan Bakhsh Shah, Khan Bahadur Makhdum Syed.
Burdon, Mr. E.	Rangachariar, Diwan Bahadur T.
Calvert, Mr. H.	Rau, Mr. P. R.
Clarke, Sir Geoffrey.	Reddi, Mr. K. Venkataramana.
Cocke, Mr. H. G.	Rhodes, Sir Campbell.
Cosgrave, Mr. W. A.	Rushbrook-Williams, Prof. L. F.
Crawford, Colonel J. D.	Sastri, Diwan Bahadur C. V. Visvanatha.
Dalal, Sardar B. A.	Singh, Rai Bahadur S. N.
Fleming, Mr. E. G.	Stanyon, Colonel Sir Henry.
Fraser, Sir Gordon.	Sykes, Mr. E. F.
Ghazanfar Ali Khan, Raja.	Tonkinson, Mr. H.
Ghose, Mr. S. C.	Webb, Mr. M.
Ghulam Bari, Khan Bahadur.	Willson, Mr. W. S. J.
Graham, Mr. L.	Wilson, Mr. R. A.
Hira Singh Brar, Sardar Bahadur Captain.	Yakub, Maulvi Muhammad.
Hudson, Mr. W. F.	
Hussanally, Khan Bahadur W. M.	

The motion was negatived.

**\*Mr. Bhabendra Chandra Roy** (Presidency Division: Non-Muhammadan Rural): Sir, I beg to move the motion which stands in my name, and which runs as follows:

“That the Demand under the head ‘Salt’ be reduced by Rs. 5 lakhs.\*

Sir, in 1920-21 the income was Rs. 5.7 crores and the expenditure was Rs. 81 lakhs. In 1921-22 the actual expenditure was 1.18 crores and the income was estimated to be 6.41 crores. In 1923-24 the income was 10 crores and the expenditure was 97½ lakhs. In 1925-26 the income is estimated to be less than 7 crores and the expenditure is raised beyond all proportion to Rs. 1,11,26,000. That is, the anticipated income in 1925-26 has fallen off by nearly one crore, whereas the expenditure is going to be raised by nearly 12½ lakhs. It has been declared by this Assembly as well as the previous Assembly that it is one of the most unjust and unfair taxes, which falls more heavily on the poor than on the rich. It is also the intention of this House as well as the public that the earliest opportunity should be taken to reduce this tax with a view to its early abolition. That being the goal, I think there cannot be any justification for the increased cost of administration of this Department. Sir, it is a well-known fact that once you increase the cost, it is very difficult to reduce the expenditure. In the Explanatory Memorandum on page 9 we find that some other expenditure on Capital Outlay on Salt Works is estimated for 1925-26 at a little more

\*Speech not corrected by the Honourable Member, but only a few figures have been corrected.

when 15 lakhs, i.e., 80 lakhs for the other charges. In 1922-23 when there was no capital outlay the income was Rs. 6,82,00,000. The burden of taxation is borne by the general tax-payer. In 1925-26 it is proposed to spend Rs. 15 lakhs on capital outlay, but the income and expenditure are normal. In this connection I may note that on page 55 of his Budget Speech the Finance Member said:

"We are justified in assuming that the yield of the salt duty will be a normal one in the coming year, and I now put the revenue at 6.95 crores. This is less by 79 lakhs than the revised figure for 1924-25 which was swollen by collections at the higher rate of duty in force in 1923-24 under the system of credit sales."

Therefore when you say that you are running the department on commercial lines and business lines, I ask why is not that principle applied in this case? The abolition of the tax will leave some of the investors with dead stock on their hands because so much interest will be lost and the charge will fall on the revenue of the country. There is no gainsaying the fact that with the improvement in Indian finances the agitation for the abolition of this tax will grow and the Government will have no other alternative but to abolish it altogether. With these words, I beg to put forward my motion.

**Mr. President:** The question is:

"That the Demand under the head 'Salt' be reduced by rupees five lakhs."

The motion was negatived.

#### INCREASE IN EXPENDITURE.

**Mr. N. M. Joshi:** Sir, I move:

"That the Demand under the head 'Salt' be reduced by Rs. 4 lakhs."

Even after hearing the speech of the Honourable the Finance Member I am not yet satisfied that there is need for increasing expenditure by 5 lakhs of rupees on ordinary items. The Honourable Finance Member stated that a part of the increased expenditure was due to the commercialisation of the accounts and part to normal increase. The Retrenchment Committee examined the Government of India's accounts very recently and had made certain retrenchments; but, I find that the very next year now Government are showing a tendency to increase the expenditure. If Government increase their expenditure normally by five lakhs so soon, another Retrenchment Committee will be necessary; and if Government insist upon increasing their expenditure normally by 5 per cent., I think, Sir, it will be desirable for this House to cut down normally the amounts proposed by them by 5 per cent. every year.

**Mr. President:** Further reduction moved:

"That the Demand under the head 'Salt' be reduced by Rs. 4 lakhs."

**Mr. A. H. Lloyd** (Member, Central Board of Revenue): Sir, I promise the House that I shall be very brief; but I think it is desirable that I should just meet the point that Mr. Joshi has made regarding the increase in expenditure. He has referred to the fact that out of the increase over the revised estimates for all-India—an increase of something like 15 lakhs—only 7 lakhs is explained by the commercialisation of the accounts. I can assure the Honourable Member that the remaining increase is not a sign

[Mr. A. H. Lloyd.]

of extravagance. It is simply explained. It will be seen, if you take India, that is to say, the Northern India Salt Department, that in the very first item in the Demand the revised estimate for voted expenditure is something like 4 lakhs below the budget estimate for 1924-25. That is not because the budget estimate was watered, it is because the carrying out of a big work—the electrification of the Khewra salt works—was practically postponed for a year. It will be taken up in the coming year and that accounts for 5 lakhs.

Then under India there is another increase of 2 lakhs in the non-voted item over the revised estimates. This is simply and solely due to the fact that the production of the Sambhar Lake has increased and we are under an obligation to pay a certain commission which increases with increased production to those States within whose territories the Sambhar Lake works are carried on.

There is one more small point I would mention—the increase in Madras. That is to some extent due to reduced output in 1924-25; but it is also partly due to works that have become necessary in order to carry out repairs as a result of the recent damage done by cyclones in that Presidency.

**Mr. K. Ahmed** (Rajshahi Division; Muhammadan Rural): Sir, I think that the explanation that Mr. Lloyd has given meets the arguments raised by Mr. Joshi. As far as Mr. Joshi's arguments are based on the recommendations of the Retrenchment Committee, I do not agree with what he has said. Representing as I do almost the same interests as Mr. Joshi does and having the honour to take part sometime in the same platform as Mr. Joshi, I think it is necessary that the matter should be looked at from different points of view; at any rate it has to be looked at from a wider point of view than the one adopted by my Honourable friend in his argument.

In the first place, Sir, we have got a net income of over 6 crores of rupees out of salt. The expenditure incurred on it is only, 1.11 lakhs and odd. If we utilise labour properly and pay it handsomely, then my Honourable friend will be acting true to his salt. (Laughter); and from that point of view I think my Honourable friend ought to withdraw his motion.

My friend, Mr. Duraiswami Aiyangar who was speaking on the same subject wanted a bigger reduction—he is not present here—but I think he asked for a reduction of fifty lakhs . . . .

**Mr. C. Duraiswami Aiyangar:** If you cannot see me, who else will be visible to you?

**Mr. K. Ahmed:** Madras people, Sir, naturally welcome their own Madras salt; but it has been discussed and found that the salt we get from Madras is not a refined one and is not acceptable for consumption by people of other provinces. It is not necessary for me to enter into that discussion, but I say this: the Honourable Member first of all wanted to omit the entire Demand; being unsuccessful he caught hold of the fifty lakhs reduction, then of the forty lakhs, till it has gradually come down to four lakhs. It is rather difficult to enter into these arguments, especially when he said that it was better to grant licenses on a moderate scale though he is an extremist in his platform speaking. Although he is not a Swarajist, Sir, I have seen from time to time that he is not behind them. But, Sir,

how are you going to grant licenses on the moderate scale when you know that by doing so more people will smuggle salt. It has been found that lawyers are being engaged on behalf of these smugglers and there has been a number of cases which probably my Honourable friend, Mr. Lloyd, knows much better than myself. Mr. Doaraiswami's argument therefore was against the public interest. It is for my friends to see that if they do not help the Government to pass the Budget they will do more harm than good to the country. Under these circumstances, Sir, I would ask my friend Mr. Joshi to withdraw the motion for reduction. (Laughter.)

**Mr. N. M. Joshi:** As suggested by my Honourable friend Mr. Kabeerud-  
din Ahmed, whom I much admire, I beg to withdraw the motion, Sir.

The motion was, by leave of the Assembly, withdrawn.

#### REVISION OF THE PAY OF ASSISTANT INSPECTORS IN THE MADRAS PRESIDENCY.

**Diwan Bahadur T. Rangachariar** (Madras City: Non-Muhammudan Urban): Sir, I wish to draw attention by this motion\* to the great dissatisfaction that exists among the ranks of Assistant Inspectors and Sub-Inspectors in the Madras Presidency over the altered position in which they find themselves on account of the separation of their department into the Excise and Salt. Before the separation, Sir, as Honourable Members will find from page 222 of the Standing Finance Committee's Proceedings, Vol. IV, the staff consisted of 87 Inspectors, 100 Assistant Inspectors, 12 Assistant Commissioners and 2 Deputy Commissioners so that the 100 Assistant Inspectors had the chance of rising to the post of Inspectors whose number was 87, and the 87 Inspectors had the chance of rising to the position of Assistant Commissioners whose number was 12. Now, Sir, under the re-organization scheme, there are 60 Assistant Inspectors and the number of Inspectors is reduced to 13, so that their chances of promotion have been reduced very considerably. The Sub-Inspectors also stand in a worse position, because there are 177 Sub-Inspectors who have to rise to the position of Assistant Inspectors. I see that the proposal of the Government is merely to relieve them to the extent of putting them on a graded scale or rather on a time limit, that is to say, they would start from Rs. 150 and rise to Rs. 200 with a selection grade from Rs. 200 to Rs. 250. I hardly think, Sir, this is sufficient. I know the discontent among these ranks is very deep, and the Government recognised it in their proceedings. I also know that the Local Government recommended the case of these people for the sympathetic consideration of the Government of India. My suggestion is that the provision made in the Budget is hardly adequate to meet the circumstances of the case. I do not know if it is not possible to increase the number of Inspectors from 13 to 25 so as to increase their chances of promotion and whether the number of Assistant Inspectors could not be increased so that the Sub-Inspectors may have better chances of promotion. The position now is much worse. Many of these Assistant Inspectors acted as Inspectors when they were in the combined scale, but now they are all reduced to the rank of Assistant Inspectors. More than two dozen Inspectors have been reduced to the position of Assistant Inspectors, while they have been holding sometimes sub. *pro tem.* and sometimes acting appointments for several years as Inspectors. All that I wish to point out, Sir, is that the provision made in their case is totally inadequate.

\* "That the Demand under the head 'Salt' be reduced by Rs. 10."

**Mr. A. H. Lloyd:** Sir, the Honourable Mover of this amendment has referred the House to the proceedings of the Standing Finance Committee, and I have no doubt that those Members who are interested in the matter will make the reference. I think that the House will prefer me not to go into the details of this question. The separation of the Salt Department and the Excise Department in Madras admittedly had immediate results which were prejudicial to the prospects of the officers assigned to the Salt Department. It was for this reason that the proposals assented to by the Standing Finance Committee were drawn up. These proposals were made by the Local Government who are still in charge of the administration of the Salt Department in Madras, and in the circumstances, I am afraid, it is not possible for the Government of India to say more than that they note that apparently the Honourable Mover has information that the officers affected are dissatisfied, and if occasion arises, this point will be borne in mind.

**Diwan Bahadur T. Rangachariar:** Sir, I do not wish to press this motion.

The motion was, by leave of the Assembly, withdrawn.

**Mr. President:** The question is:

"That a reduced sum not exceeding Rs. 1,11,25,000 be granted to the Governor General in Council to defray the charge which will come in course of payment during the year ending the 31st day of March, 1926, in respect of 'Salt'."

The motion was adopted.

#### DEMAND No 16—CUSTOMS—*contd.*

#### ABOLITION OF THE COTTON EXCISE DUTY.

**Mr. President:** The question is:

"That a sum not exceeding Rs. 71,66,000 be granted to the Governor General in Council to defray the charge which will come in course of payment during the year ending the 31st day of March, 1926, in respect of 'Customs'."

Since which an amendment has been moved:

"That the provision for Rs. 77,000 for the Cotton Excise Establishment be omitted."

**The Honourable Sir Basil Blackett:** Sir, I think it will be for the convenience of the House if I am allowed to rise now and explain what has developed since this discussion was adjourned on last Friday. The House will remember that after spending the whole day in discussion on this motion, it postponed further consideration till to-day in order to give time for consideration of the points which had arisen. Now, it emerged clearly from last Friday's debate that there was complete unanimity on all sides of the House in the view that the only obstacle to the repeal of the cotton excise duty was the question of funds. There was complete unanimity on that point. There was almost complete unanimity that the sum earmarked in the Budget for 1925-26 for the relief of the provinces should not be encroached upon. It was pointed out on behalf of the Government that the motion before the House if carried and accepted involved the non-collection of the cotton excise duty from the 1st April 1925 and the loss of revenue could only be made good by reducing the sum set aside for the provinces. It was further pointed out

that even if the money were really available, it ought logically to be devoted to increasing the relief of the provinces if, in the words of Sir Purshotamdas Tarkandaras, the priority of the provincial claim first, second and last is conceded and that reduction or abolition of the cotton excise duty this year must in any case be at the expense of the provinces hereafter. Several other suggestions were also thrown out in the course of the discussion. Sir Campbell Rhodes urged that the Government should agree to accept the vote of the House on this motion, and, if it were carried, should abolish the cotton excise duty even if it involved encroaching on the fund available this year for the provinces. Pandit Motilal Nehru expressed his readiness to vote for a reduction of the cotton excise duty if a suitable alternative could be found. Pandit Madan Mohan Malaviya in moving for the adjournment of the debate expressed his confidence that cuts could be made sufficient to enable the duty to be repealed without diminishing the amount available for the provinces. And finally Mr. Jinnah made the suggestion that, if the whole duty could not be abolished this year a beginning might be made as an earnest of the Government's expressed desire to honour to the full both in letter and spirit the pledge given by Lord Hardinge. All these points required and have since received careful and prolonged consideration and re-examination in many cases by the Government of India, who were and are most anxious to give full weight to the views of this House on this very important question and who welcomed the opportunity offered by the adjournment. That opportunity has been used by the Government who have given the most careful and sympathetic study to the whole subject and I have now to explain to the House the conclusions at which they have arrived. A re-examination of the estimates confirms the Government in their view that there is no legitimate possibility of both maintaining their proposals for provincial relief this year intact and abolishing the cotton excise duty. They cannot budget for a deficit and they are convinced that no important cuts can be made if the budget figures are to remain, as they must, a true estimate of the amount likely to be required for the service of the State for the year 1925-26. For the reasons stated last Friday, the Government are unable to recommend any form of substituted taxation, since this inevitably involves imposing a new tax the proceeds of which will be paid to the millowners. They must also rule out at once any idea of encroachment on the sum earmarked for provincial relief. It is obvious that this latter course is not desired by the House and even if the House were to pass this motion—which I hope it will not—and even if that motion must logically be taken to mean giving priority to the cotton excise duty over the provincial contributions, the Government feel that they would be failing in their duty if they were to consent to deprive the nation-building services of the funds they so badly need in order to repeal a tax, the arguments for whose repeal are at the moment preponderatingly, though not entirely, political. There remains Mr. Jinnah's suggestion that a beginning might be made this year by some reduction, which would necessarily be small, in the duty as an earnest of the Government's good intentions. Now, our recurrent surplus amounts only to 18 lakhs, and it is clear that a recurrent loss of revenue ought not to be financed out of non-recurrent receipts. This is not a proposal to use our non-recurrent surplus this year for some non-recurrent purpose but it is a proposal to use it for a recurrent purpose. Now, even a reduction of  $\frac{1}{2}$  per cent. in the duty would cost us, as we estimate, about 30 lakhs and would therefore involve some risk when we come to the Budget for 1926-27. But at first sight the proposal has some obvious attractions. Its adoption would, in the first place, it is claimed, finally dispose of the

[Sir Basil Blackett.]

suspicion that Lancashire or some obstacle other than the lack of funds stands in the way of the practical carrying into effect of those pledges which the Government have once again declared their intention of honouring in the letter and in the spirit. I repeat once more that there is no obstacle other than the lack of funds, but I recognise that there will always be those who demand that a sign be given unto them and who will not be convinced except by ocular demonstration. If a reduction of  $\frac{1}{2}$  per cent. this year would really be regarded as ocular demonstration, it would obviously have real political value. It has been suggested also that to make the demonstration convincing the initial reduction ought to be accompanied by a plan of progressive diminution and ultimate extinction within a few years. This clearly involves an unjustifiable speculation as to the budgets of these years, as well as a mortgage of any future surplus with a definite preference in favour of cotton excise duty over provincial contributions after 1927-28. The Government have had the advantage since last February of discussing the whole matter with representatives of the millowners. They can only recognise that the industry is passing through a difficult phase, and that trust may be a temporary one, and they are ready and anxious to give sympathetic and favourable hearing to the millowners' case and to consider that they can help the industry in a practical manner. But it is not clear— and I think this is not contested by the millowners themselves— that a reduction by half per cent. of the excise duty would do much to solve any of the problem. I am inclined myself to doubt whether a reduction of the duty would really get at the root of the trouble, but it might give some temporary encouragement. We are all prone to do so, but it is by the fatal objection that such a reduction of the duty by half per cent. would merely put 30 lakhs a year out of the pocket of the tax-payers—strictly out of the pockets of the provincial tax-payers—into the pockets of individuals without in any way helping the cotton industry to surmount its difficulties. This 30 lakhs a year would cease altogether to be available towards those further reductions of provincial contributions which the Government and the Assembly are anxious to effect and which they have promised to effect at the earliest possible moment. The Bombay Government, which besides favouring the abolition of the cotton excise duty has also represented strongly its claims to relief, would, so far from being helped, see the date of its relief *pro tanto* postponed. And the same is true of the other provinces. The objections from this point of view to a reduction of anything more than half per cent. are obviously even greater. I do not wish to be taken as saying that in all circumstances we must adhere to the strict logic of the position, and that any reduction or abolition of the cotton excise duty must necessarily await the final extinction of the provincial contributions. The decision on that question can be taken in due course when it ceases to be a hypothetical one. But it is, we hold, clearly wrong that we should prejudice that decision this year by recommending a reduction of the cotton excise duty in a way which will do no possible good either to the cotton mill industry or to India generally. The Government of India's conclusion, therefore, is that, if they were to recommend a reduction of the duty this year, they would be yielding to a political temptation without adequate justification for their action and that the only right course is for them again to recommend to the House and to the country the proposals which they put forward originally after careful consideration in the budget statement,—proposals which in existing circumstances are in their opinion those best calculated to serve the true interests of India as a whole.

**Diwan Bahadur T. Rangachariar:** Sir, I regret very much the decision of the Government of India. The Government of India, I am afraid, are lacking in the proper insight that they do not even take advantage of the opportunities now on this side of the House. We fully appreciate and recognise the difficulties which beset us, the provinces, in this matter. Sir, I have taken up the matter to the conclusion that I must support this motion for reduction on this head. There are two sacred promises made by the Government of India, one made more than 15 years ago and the other made at the time of the Meston Award. Both the promises have to be fulfilled. The Government of India, I am thankful to say, have recognised the necessity for fulfilling this later promise as regards the provincial contribution, for the necessity there is admittedly greater than in the case of the excise duty. In the case of the excise duty one cannot but admit it is a purely—so far as I am concerned I recognise it and regard it purely as a political matter. It has no economic value, as has been pointed out by Mr. Devaki Prasad Sinha and others. Its disappearance by itself does not benefit the consumer, it is true; it benefits the industry and the industry only. But, Sir, even if it benefited the industry only, it is a benefit to the country. After all, the millowners are Indians and if they are helped to stand on their legs, they will develop the industry for the advantage of the country. In that sense I regard it as an advantage to the country itself if they are helped to stand on their own legs. But at the same time the little measure of support which we ask the Government to give in this Budget will not have given them even that advantage. But we want a declaration on the part of the Government of India that they are determined to put an end to this most obnoxious and odious duty, odious in its origin, odious in its original application, mischievous and injurious to the producer. Sir, we want the Government of India to make a start and a clean start with the determination to get rid of it. Even if they had proposed a reduction of half per cent. I should have willingly supported the Government, if it had been coupled with a programme for reduction in future years when surpluses are available. It is only when surpluses are available that we would urge this. It is quite a hypothetical case no doubt, but having regard to the history of the past three years and the capable hands in which the finances of this country are placed, I have no doubt we will have years of surpluses in future by the aid of which we will be able to get rid both of the provincial contributions and also this excise duty. (A Voice: "Side by side.") I am afraid the Honourable the Finance Member is again in a pessimistic mood. I do not know why he is so. I am rather inclined to think that the Government of India are deliberately bent upon irritating the people and the people's representatives. Sir, their action to-day in denying us an opportunity to discuss this most important report of the Muddiman Committee, their action in denying to-day this bare justice in the case of the cotton excise duty and various other matters incline me to the view that the Government of India are prepared to irritate the people. Sir, we are prepared to take that irritation. It cannot hereafter be avoided. There must be a conflict and I am afraid the Government of India are leading us into that conflict. Sir, I am prepared to support this motion, and I hope the Government of India will see their way again to see that they do not proceed in this line of action. Let us be prepared to co-operate with each other. Co-operation means recognition of the



[Diwan Bahadur T. Rangachariar.]  
country's difficulties. Here, the whole country, the whole Indian community without any interest whatever in the question feel one way. Why should the Government of India ignore the sentiments of the people in this matter? I regret the decision of the Government, and I agree to support the motion for reduction.

**Mr. E. H. Ashworth** (United Provinces: Nominated Official). Sir, I rise on behalf of my Government, the Government of the United Provinces, to strongly oppose this motion. I oppose it both for other reasons and because the remission of the cotton excise duty is bound not only to jeopardize the remission of provincial contributions now proposed, but it is bound to affect the question of further remissions in subsequent years. It is useless for this House to say that it can point out other savings from which the excise duty can be remitted. The Finance Member says that he cannot discover these other funds or savings, and I am certain that he will not be able to do so even with the aid of the spectacles that this House may wish him to wear.

Sir, I maintain that ever since the Meston Award, remissions of the provincial contributions have been a first charge on the Indian Budget balances. They have been so by the very terms and conditions of that Award. They are still more so by the present condition of the provincial finances. I leave it to others to prove that this is so in respect of other provinces. But I am instructed by my own Government to represent to this House the circumstances of the United Provinces. In 1920 the United Provinces had to incur charges of about 150 lakhs on revising the pay of subordinate establishments. That swallowed up most of the benefit that we were supposed to gain from the Meston Settlement and it was not taken into account in fixing the contribution of the Provinces. For a variety of reasons, mostly due to the aftermath of the war, the revenues of the United Provinces fell below the Meston estimate, and this swallowed up the small balance of benefit left. Yet, the province, according to the report of the Meston Committee, had—I quote that report—"large arrears of administrative progress to make up." Some progress has been made, but it has only been rendered possible by additional taxation and severe retrenchment, mainly the latter. These means of increasing or conserving the funds at our disposal have disappeared or very nearly so. Our revenues are not capable of any large measure of expansion. We cannot further retrench, as our standard of expenditure is the lowest in India save that of one other province. We have achieved some progress in the nation-building departments, but they risk being starved in the future. Lastly, we have had the disastrous floods of September. They have affected our revenues to such an extent that if we lose the proposed remission of 56 lakhs, the United Provinces, which in the period 1921-26 will have contributed 1,200 lakhs to the Central Government, will be compelled to borrow to cover its budget deficit.

Sir, there are three main arguments in favour of the remission of the cotton excise duty. The first is that this duty is a tax on small incomes. It is disputed by some that the tax will come out of small incomes, but assuming for the moment that it will my answer is that it is impossible in India to avoid taxing small incomes. If we are to do any good to the poor, or to the people who only possess small incomes, we shall have to tax them in a country like India. Without such taxation there will be no uplifting or education of the poor, and indeed it will be impossible

to rely on the Government on their behalf. Another argument is that the imposition of the cotton excise duty was unrighteous and iniquitous, and conceived for the benefit of Lancashire. This argument appears to me to imply a most extraordinary personification of a tax. If the tax is no longer an unrighteous one, I cannot see how you can attack the tax because its origin was unrighteous.

**Pandit Shamlal Nehru:** What was the excise duty?

**Mr. E. H. Ashworth:** We have heard a great deal of very strong language as to the criminality of those who originally imposed this tax. My answer to that would be that if Lancashire hands were incarnadined by the imposition of cotton excise duty they were washed white as snow by the subsequent import duty.

Lastly, we are told that Government promised the remission of the cotton excise duty and Government must be kept to their promise whatever the results. But the circumstances have changed since that promise was made, changed by the imposition of the import duty. Again the so-called Government promise was conditional on funds being available. How can you say that funds are available so long as the provinces are bankrupt and being starved for funds? Lastly, I would point out that wise people do not exact the fulfilment of promises the fulfilment of which is not to their best interests.

**Pandit Motilal Nehru** (Cities of the United Provinces: Non-Muhammadian Urban): Sir, like my friend the Honourable Mr. Ashworth I come also from the United Provinces. He comes with a mandate from the Government. I come with a mandate from the people. I enjoy the suffrage of the people, my Honourable friend is here by the sufferance of the Government. That is the difference between him and me. I stand here to support the motion under discussion on behalf of the people, who, according to my friend the Honourable Mr. Ashworth, will be very much prejudiced if this motion is passed. Why do I do so? Not because I do not press the claim on behalf of the people as strongly as Mr. Ashworth does for the reduction—I may say, the total abolition—of the provincial contributions. As I made it perfectly clear in my speech the other day on this motion, we do not want any remission of the excise duty at the expense of the provinces. We say that both of them are bad and that both of them must go. It is pleaded on behalf of the Government that it is not possible in the present state of the central finances to abolish both the contributions and the excise duty. In fact, it is said that the reductions that are proposed in the contributions will be materially prejudiced if even a half per cent. reduction in the excise duty is made. Now, Sir, I am not for any reduction of the excise duty however large. I say that the excise duty is a disgrace to the country, a greater disgrace to those who levy it than to those who pay it. The disgrace must go. I am not aware of any mathematical formula or calculation by which one can strike percentages or determine degrees of disgrace. Either it is a disgrace or it is not, and on that basis I ask for the entire abolition of this duty.

My Honourable friend Mr. Ashworth said that whatever sting there was in it was removed by the imposition of the import duty. What does it mean? It means this that the disgrace is there but the party disgraced is given a comfortable couch to lie on and compensated in other ways. I for my part refuse to appraise disgrace in terms of rupees, annas,

[Pandit Motilal Nehru ]

and pice. If it is a disgrace it remains a disgrace whether you keep the whole of the excise duty or reduce it to one pice. If the lowest duty remains it is as great a disgrace as the full duty.

I have to say only one word to my Honourable friends in this House. The Honourable Sir Basil Blackett has repeated the oft-played game of trying to raise a conflict where none exists and thus attempting to divide the vote of those who are wholeheartedly in favour of the abolition of this excise duty. He raises the bogey of the continuance of the provincial contributions and says that that is the only means open to us by which we can allow any reduction of the excise duty even to the extent of half per cent. Now, I would beg the House not to be influenced by that consideration at all. If it is not possible to do both, which I do not admit, then let the responsibility for continuing this disgrace lie with the Government. Let them say, "We cannot be parties to our own disgrace and therefore we will not help you." We do not ask you, and I make it perfectly clear once again, to touch the reductions of provincial contributions. It is for you to make the two ends meet. We have suggested various means of making the two ends meet. If none of them appeals to you, it is you who will be responsible for continuing this disgrace. I ask the House to vote without paying any attention to the threat that reductions of the provincial contributions will be omitted if this House passes the motion. I would ask every Indian who values his honour above considerations of money to vote for this motion.

**The Honourable Sir Charles Innes** (Commerce Member): We have had so many debates about this unfortunate duty, that I am afraid that on both sides of this House we have got into the habit of taking debating points one against the other. I suggest, Sir, seriously for the consideration of the House that the time is past for rhetoric of the kind which my Honourable friend, Pandit Motilal Nehru, has just given the House and the time is past for those appeals to India to wipe out this disgrace. I should like the House now to consider this problem, as we have considered it in the last few days, purely as an economic problem. By way of another preliminary remark, Sir, I should like to say that I do not think that my Honourable friend, Mr. Rangachariar, had any right to say that the Government were deliberately going out of their way to irritate this Assembly. The facts are entirely against the Honourable Member. We agreed to the adjournment of the House the other day in order that we might consider all the suggestions made by the House, and we have considered all those suggestions in the last few days. Now, I want to ask the House to clear away all prejudices and to try to examine this problem in the light in which I shall place it. I think that we may at once start by clearing our minds of the idea that Lancashire in any way stops the taking off of this excise duty. (A Voice: "Not without proof.") We may also clear our minds of any suggestion that the taking off of this excise duty is going to help the consumer. I have ascertained myself that the millowners themselves do not make that claim. Therefore, what is the reason why the millowners are so anxious to have the duty taken off? I will try to put their point of view first, and then I will try to put our own point of view. The millowners' claim is simply and solely this: "We are passing through a crisis. We are in a state of depression at the present moment and the taking off of the excise duty will help us and help our industry." That is a perfectly reasonable position for the millowners to

take up. What is the reason for this depression? There are various reasons. The first one is this. I gave some figures the other day showing that the price of cloth has been dropping ever since 1922-23. When the market is a falling market, it means that the dealers who buy large stocks of cloth from the millowners lose their money, and the consequence is that they are now buying in small quantities. They only buy just enough to carry them over their immediate requirements. They are not buying in large quantities and that is because for a long time the market for cloth has been a falling market. The second reason is Japanese competition. I have ascertained that the millowners accept the figures I gave the other day about cloth. They accept that in so far as India and Japan are in competition India supplies 93 per cent of the demand for cloth and Japan supplies 7 per cent. But that 7 per cent is regulating the market at the present time. It is regulating the prices which the millowners can get for all their production. The Japanese competition is worst in drills, but the fact that they are selling drills say at Rs. 1-3-0 per lb. also affects the price which millowners can get for say longcloth. If the millowners charge Rs. 1-6-0 for longcloth the dealers say, "We can get Japanese drill for Rs. 1-3-0 per lb., why do you charge such a high price for longcloth? That is the second factor in the situation which is depressing the mill industry at the present time. I will not go into reasons why we have this Japanese competition, but that there is the Japanese competition is a fact and it is also a fact that it is regulating the prices for the millowners at the present time. Finally, in spite of the fact that the prices have been depressed in this way, I understand, and I said this before, that the present range of prices for cloth in India is still too high for the Indian consumer and that is the third factor which is affecting the mill industry. Again there is more competition among Indian mills themselves. We all know that the mill industry in the last few years has been losing its export market for yarn. There are mills springing up in China, and we are losing more and more every year in respect of our exports of yarn to China. But the mills go on producing their yarn. They have to use it and therefore they have put up more and more boms. Thus there is greater and greater competition among the millowners themselves to get rid of the cloth which they are making in increasing quantities. Those are all the factors which I understand are affecting the mill industry at the present time, and I think you will all agree that they are serious factors and that the mill industry is in a depressed state. It is particularly depressed in Bombay. I think I am correct in saying that the depression is worse in Bombay than in Ahmedabad, or Calcutta, or any other part of India. (A Voice: "Throughout the Bombay Presidency.") The net result is that the cost of production of cloth is still too high and the millowners have got to bring their costs down. I have ascertained that if we take the cotton excise duty off the mill industry would be able to meet Japanese competition to the extent of  $\frac{2}{3}$ ths of an anna per pound. It would reduce the cost of their production by that amount. It would help them to that extent. That is, I say, the case of the millowners and I don't forget to mention that the case especially in Bombay is a strong one. The mill industry is at present in a depressed state, and speaking as the Commerce Minister of the Government of India, I should like to say, that if we can help the industry in any other way than the one which is now being discussed by the House, everybody may take it that we shall do our very best to do so. But we are up against this difficulty. I am perfectly satisfied from the figures that I have seen that the reduction of half per cent. in the cotton excise duty will not help the mill industry to any extent worth talking of. If you reduce the cotton excise duty by half per cent. that is by one-seventh,

[Sir Charles Innes.]

you reduce the cost of producing each pound and it will not in any way help the mill industry as they are at present. Therefore, we were driven to what we are going to do any real good to the mill industry in any way and take off the whole of that duty. This is what we have been in since September last. We are going to do both reduce the provincial contributions and the cotton excise duty and that we have to do so in order to get rid of provincial contributions and the abolition of the cotton duty. We have decided in favour of the cotton excise duty. I think that everybody in this House has seen that. I suggest that it is no good coming to us and saying, "Oh, yes, if you look into the recesses of your Budget, you will find the necessary money, the two errors that are required to get rid of the cotton excise duty." That is not the case. I have seen the point of view which Government have taken in this matter. Mr. Rangachariar will now withdraw that remark. I do not take off this half per cent. of the cotton excise duty, we are not taking out of our way to irritate the House. We are not doing anything to satisfy that it will do no good to the industry and we are merely giving away this money to no useful purpose.

**Sir Purshotamdas Thakurdas** (Indian Merchant, Member of the Commerce): Sir, the statement made by the Honourable the Finance Member has certainly not surprised me and I am bound to say that I think it has not disappointed me. I should have been surprised if the statement was anything else than what it is. The Honourable the Commerce Member asked the House to form the opinion of the House on a question which is most uncomfortable to the Government of India and which the Government of India cannot ignore. We have been told that since the House adjourned the question there have been consultations on this question in the House and in the Lodge. That is one of the motives for which the House adjourned. May I ask the Honourable the Commerce Member and the Honourable the Finance Member if there have been any discussions with the Secretary of State also about this? What is the result of the discussion? The Commerce Member telling us that Lancashire has no voice in this matter. We want proof of it. It will not do to say that Lancashire is one of the strongest points on which this excise duty is levied and which is the main reason why the House and the nation are so united that the excise duty must go. It suits Government very well indeed to say that they are not prepared to place copies of despatches or messages between them and the Secretary of State on the table of this House. If the Honourable Members on the Government Benches expect this House to accept their word that Lancashire has no say in this matter I would ask them to categorically say that since the House adjourned the further consideration of the question there has been no consultation with the India Office.

**The Honourable Sir Basil Blackett:** There has been consultation with the India Office, and I am in a position to say that, if we could abolish the whole duty, there would have been no obstacle whatsoever from Lancashire or from the India Office.

**Sir Purshotamdas Thakurdas:** I am very glad, Sir. It is then a question of funds and it is a question for this House to find the funds.

May I ask, Sir, whether it is not for the Government to explain how they could set aside 63 lakhs of rupees to be given to Calcutta for three years more and say to us that we must wait for the removal of the cotton excise duty? If the Government are so hard up, why should the Government not say to Bengal that we have given you three years remission and we cannot afford you any more with due justice to the claim of the cotton industry? Sir, when the question of Bengal comes up, the Honourable the Finance Member is very ready to meet them and says, "I will not even take credit for this in the Budget until the House has approved of the remission". I am not jealous of Calcutta (Bengal). I would help Bengal as much as possible but I put it to the Government of India—does it lie in their mouth to say that they cannot find the money for the remission of this obnoxious duty. The conclusion can be only one. Where there is a will there is a way. You have not got the will, therefore you put up all sorts of excuses. The House will not take them and I assure you that the public will never believe the Government of India when they say that they have not got the funds. Why did you not say to Bengal "We gave you remission for three years and we will henceforth give you remission only on a *pro rata* basis". After all what is the special preference to Bengal based on? Just one sentence in the Joint Committee's Report. You can find the funds when you want to. When you do not want to, you come and say that you are trying to improve the credit of India in the money market, you are trying to have greater amounts put aside towards debt redemption. In another breath you say, "Our credit is so good and our finances are so good and the national debt is so small that we can really congratulate ourselves that the Government of India have done very well by the people of India". Sir the two cannot be reconciled. Let us have it straight. You do not wish to remit the duty and the Honourable the Commerce Member said that the excise duty will go to the pockets of the millowners. We have had enough of that plausible argument. If the Honourable the Commerce Member does not want a revocation of the fact that there is dictation from Lancashire let him not repeat also that this duty will go into the pockets of millowners.

The most interesting point however is this. In two years the Government of India have laid by 11 crores of rupees. Towards what? Towards debt redemption. Did they ever think, Sir, of this pledge which I still see the Members on the opposite side are not prepared to give up as a pledge? They have not come to that stage yet. In view of the attitude of the Government of India, I wonder whether it will not come to that stage very shortly. They still confess that Lord Hardinge did give a pledge. In two years (1923-24 and 1924-25) you have saved 11 crores and have you thought of the excise duty and the guarantees and the pledges given? It is all very fine to ask people to believe in the good faith of whatever you put before them but there must be a limit to it; and people can make up their minds as to which way the whole thing tends. (A Voice: "Don't let the Swarajists.")

There is one more point which I should refer to before I resume my seat. The Honourable the Commerce Member said that there was no competition between Lancashire goods in the Indian market and Indian goods. I interrupted him and said that that was the joke. The same was pointed out again to-day by the Honourable the Government representative from the United Provinces, Mr. Ashworth. Let me put it to you very shortly. Was there competition between the output of mills in India in

[Sir Purshotamdas Thakurdas.]

the early eighties and nineties of the last century. Is it so manifest to-day, I put it to the two Honourable Members opposite, that in those days it was the fear of dictation from Lancashire that bore yoke on the

1 P.M.      excise duty on India? Why was it so then. There was no competition. Lancashire did not turn out 10 or 12 or 14 counts yarn. Nor did India then spin fine counts of 24s and so on. The position is exactly the same to-day. I expected Mr. H. G. D. to be the Commerce Member and the Government of India to take notice. What is this joke? The joke is that Lancashire can see beyond the tip of its nose; it can look ahead, and therefore says, "At the mill industry in developing in India a day will come when the Indian mills will turn out finer counts". That is what they do not want. And what is the end of getting up and saying there is no competition.

**The Honourable Sir Charles Innes:** May I interrupt the Honourable Member? I was quoting from the millowners' own statement.

**Sir Purshotamdas Thakurdas:** But what is the inference? What is the good of quoting a line which has no relevancy to the whole question. Sir, it is the inference that the Commerce Member wishes to be drawn from his quotation that matters. What did the Honourable the Commerce Member, when he made that statement, intend this House to infer? Was the Honourable the Commerce Member trying to mislead this House? I cannot believe, Sir, that such a responsible Member of the Government could descend to such a thing as that. But why, Sir, create these issues, and why try to mislead the House; why not stick to the facts? It is a merchant talking to the Commerce Member of the Government of India. Why put in other questions? Lancashire is afraid that if the Indian cotton industry should expand, if they were less handicapped and if there were more facilities for the cotton industry, then the Indian mills may take to finer counts; and that is just what they do not want. It will not do therefore naively to say that the millowners say there is no competition between Lancashire and Indian cotton goods. The millowners are bound to state what the facts are. They will not say anything that will mislead the Government of India or the public, as the Honourable the Commerce Member tries to do. The millowners say there is at present no competition. That may be. But does the Honourable Commerce Member want these words to convince us that the apprehension of Manchester is not this, that if the excise duty is removed and if the Indian cotton industry is allowed to expand and develop, the Indian mills may turn out finer counts, finer counts which Lancashire is anxious to continue to send to India? That, Sir, is the secret of the Government of India keeping to their policy in connection with the excise duty. It has not surprised me. I am only sorry for the Government of India. The cotton industry will try its best to look after itself. In the Government of India it has found no friend up till now. We know now—India knows now—that she will have to struggle much longer before we can get the Government of India to see the right side in this question.

**Sardar V. N. Mutalik:** Sir, I am neither a millowner nor a shareholder. I do not come here on the sufferance of Government or on the sufferance of the people. *(Cries of "How do you come here at all? You are an elected Member.")* Sir, I have a very open mind on this question and up till now I have tried to keep my mind as open as I possibly could do. The decision of the Government was not quite unexpected. I would

only appeal both to the millowners and to the country to take the decision in the most sportsmanlike spirit which they can possibly do. The picture has two sides to it, and I think the decision of the Government coming in the way in which it has come is the result of both logic and reason.

We are told that the mill industry is established in India on a firm basis. It has been in existence for the last 50 or 60 years. There is a probability of some competition with Manchester or Lancashire goods. But, Sir, may I ask the millowners themselves or their representatives to say why after 60 years they have not yet succeeded in competing with Manchester or Lancashire? They are still where they were. Is it not the fact that they have misused their opportunities, that they have not taken the fullest advantage of the opportunities which did come to them at the time when profits rose high? Now when the industry is passing through a critical stage which perhaps is not the result of any foreseen incident, it is no fault either of Government or of the public. The public have given the fullest sympathy and support to this industry since, I suppose, before the early nineties. The Swadeshi movement and then the Boycott movement came in and that supported this industry. But the profits which the millowners made did not go for the development of the industry itself. The profits went in foreign articles like motor cars and other luxuries, if not in other ways. But, Sir, I agree in one thing, that the tax is bad. I do not support Government in their action or in their view. If the Government find me in another lobby it will be on the ground that the tax is bad, and I only vote on the other side to give expression to my view that the tax is bad and ought to go in time. But I hope the lessons which the present position of the mill industry teaches will not be lost on those shrewd business men, the millowners, and I hope the industry will not come for any protection as in the case of other industries. (A Voice: "You support the Government?") I would gladly have supported the Government had the tax had any merit about it. My province does not stand to gain anything from the remission of provincial contributions. It may of course come. But if this tax is removed, certainly, Sir, the industry of which my Presidency is proud and which is the pride of the whole of India will gain, and I hope the Government will soon find their way to remove this tax. I do not want to go over all the sins of the millowners. I only want to appeal to the country and to the millowners that they should take the Government's decision in the most sportsmanlike spirit which they can.

**Mr. N. M. Joshi:** I should like to make a personal explanation. When I spoke last time on this motion I stated that although I was in favour of the removal of the duty I did not support the motion on the ground that I thought the millowners had given a threat that if the duty was not abolished they would reduce the wages of the labourers. I am now assured that the millowners did not intend any such threat and I therefore propose to support the motion.

**Mr. President:** That is not a personal explanation. The Honourable Member is now explaining the attitude of the millowners.

**\*Mr. M. E. Makan** (Bombay Northern Division: Muhammadan Rural): Sir, the debates which have taken place up to now tend to show two outstanding questions, and they are these—whether the surplus of the Budget should be utilised for the reduction of the provincial contributions or the abolition of the cotton excise duty. Either of the two is certain. It

\* Translation of speech delivered by the Honourable Member in vernacular.



[Mr. M. E. Makan.]  
is equally unjust to uphold the cotton excise duty as it is to place the provincial contribution in the case of Bombay. Government are not aware of the strong protest of the Bombay Council. I must bring to your notice that the whole Bombay Presidency is utterly dissatisfied with the management of the nation-building departments due to the want of sufficient money. I hope this fact will not pass unnoticed by the Finance Member. In short, in addition to the abolition of the cotton excise duty, the Government of Bombay Presidency with regard to the contributions must not be overlooked.

**Several Honourable Members:** I move that the question be put.

**Mr. President:** The question is:

"That the question be now put."

The motion was adopted.

**Mr. President:** The original question was:

"That a sum not exceeding Rs. 71,66,000 be granted to the Governor-General-in-Council to defray the charge which will come in course of payment during the year ending the 31st day of March, 1926, in respect of Customs."

Since which an amendment has been moved:

"That the provision of Rs. 77,000 for the Cotton Excise Establishment be omitted."

The question I have to put is that that provision be omitted.

The Assembly divided:

AYES—70.

Abdul Karim, Khwaja.  
Abhyankar, Mr. M. V.  
Acharya, Mr. M. K.  
Ahmad Ali Khan, Mr.  
Aiyangar, Mr. C. Duraiswami.  
Aiyangar, Mr. K. Rama.  
Aiyer, Sir P. S. Sivaswamy.  
Aney, Mr. M. S.  
Ariff, Mr. Yacoob C.  
Badi-uz-Zaman, Maulvi.  
Belvi, Mr. D. V.  
Bhat, Mr. K. Sadasiva.  
Chaman Lall, Mr.  
Chanda, Mr. Kamini Kumar.  
Chetty, Mr. R. K. Shammukham.  
Dalal, Sardar B. A.  
Das, Mr. B.  
Das, Pandit Nilakantha.  
Dutt, Mr. Amar Nath.  
Ghazanfar Ali Khan, Raja.  
Ghose, Mr. S. C.  
Goswami, Mr. T. C.  
Gour, Sir Hari Singh.  
Gulab Singh, Sardar.  
Hans Raj, Lala.  
Hari Prasad Lal, Rai.  
Iyengar, Mr. A. Rangaswami.  
Jelani, Haji S. A. K.  
Jinnah, Mr. M. A.  
Joshi, Mr. N. M.  
Kasturbhai Lalbhai, Mr.  
Kazim Ali, Shaikh-e-Chatgam  
Maulvi Muhammad.  
Kelkar, Mr. N. C.  
Lohokare, Dr. K. G.  
Makan, Mr. M. E.  
Malaviya, Pandit Madan Mohan.

Mehra, Mr. Jambhadr M.  
Misra, Pandit Shambhoo Dayal.  
Misra, Pandit Harkaran Nath.  
Muhammad Ismail, Khan, Bahadur  
Sayid.  
Murtaza Saib Bahadur, Maulvi  
Sayad.  
Mutalik, Sardar V. N.  
Nambiyar, Mr. K. K.  
Narain Dass, Mr.  
Dr. Kishenlal.  
Nehru, Pandit Motilal.  
Nehru, Pandit Shamlal.  
Neogy, Mr. K. C.  
Pal, Mr. Bipin Chandra.  
Patel, Mr. V. J.  
Phookun, Mr. Tarun Ram.  
Purshotamdas Thakurdas, Sir.  
Ramachandra Rao, Diwan Bahadur M.  
Rangachariar, Diwan Bahadur T.  
Ranga Iyer, Mr. C. S.  
Ray, Mr. Kumar Sankar.  
Reddi, Mr. K. Venkataramana.  
Roy, Mr. Bhabendra Chandra.  
Samiullah Khan, Mr. M.  
Sarda, Rai Sahib M. Harbilas.  
Shafee, Maulvi Mohammad.  
Singh, Mr. Gaya Prasad.  
Sinha, Mr. Ambika Prasad.  
Sinha, Mr. Devaki Prasad.  
Sinha, Kumar Ganganand.  
Syamacharan, Mr.  
Tok Kyi, Maung.  
Venkatapatiraju, Mr. B.  
Wajihuddin, Haji.  
Yakub, Maulvi Muhammad.

## NOES—42.

Abdul Munim, Khan Bahadur	Hudson, Mr. W. F.
Muhammad.	Innes, The Honourable Sir
Abdul Qayum, Nawab Sir	Charles.
Sahibzada	Lindsay Mr. Darcy.
Abul Kasem, Maulvi.	Lloyd, Mr. A. H.
Ahmed, Mr. K.	Marr, Mr. A.
Ajab Khan, Captain.	McCallum, Mr. J. L.
Akram Hussain, Prince A. M. M.	Mitra, The Honourable Sir
Almuzzaman Chowdhry, Mr.	Bhupendra Nath.
Ashworth, Mr. E. H.	Moir, Mr. T. E.
Bhore, Mr. J. W.	Muddiman, The Honourable
Blackett, The Honourable Sir	Sir Alexander.
Basil.	Naidu, Mr. M. C.
Bray, Mr. Denys.	Raj Narain, Rai Bahadur.
Burdon, Mr. E.	Rau, Mr. P. R.
Calvert, Mr. H.	Rhodes, Sir Campbell.
Clarke, Sir Geoffrey.	Rushbrook-Williams, Prof. L. F.
Cosgrave, Mr. W. A.	Sastri, Diwan Bahadur C. V.
Crawford, Colonel J. D.	Visvanatha.
Fleming, Mr. E. G.	Singh, Rai Bahadur S. N.
Froese, Sir Gordon.	Stanyon, Colonel Sir Henry.
Ghulam Bari, Khan Bahadur.	Tonkinson, Mr. H.
Graham, Mr. L.	Webb, Mr. M.
Hira Singh Brar, Sardar Bahadur	Willson, Mr. W. S. J.
Captain.	Wilson, Mr. A. A.

The motion was adopted.

**Khan Bahadur W. M. Hussanally:** Sir, when the division bell was ringing I came running and just when I was two paces away from the door it was locked against me; I wanted to record my vote for the Ayes

## OVERTIME AND HOLIDAY ALLOWANCES OF CUSTOMS STAFF AT KARACHI.

**Mr. President:** Does the Honourable Member wish to move his reduction?

**Khan Bahadur W. M. Hussanally:** Yes, Sir, I do. I do not know whether I am called upon to move on behalf of my friend Mr. Harchandrai or to move my own motion.

**Mr. President:** I have here a notice from the Honourable Member himself, No. 13 on the list. Does he wish to move it? It is a reduction under the sub-head 'Sind Division—overtime and holiday allowances.'

**Khan Bahadur W. M. Hussanally:** I gave notice of this motion in order to draw attention. . . . .

**Mr. President:** I want to know if the Honourable Member wishes to move it; if he intends to take up any time we shall have to postpone it till the afternoon.

**Khan Bahadur W. M. Hussanally:** It will not take more than two or three minutes, Sir. I sent notice of this motion in order to draw the attention of the Board of Inland Revenue to the provision made with regard to this item which appears at page 9. Figures are there given of fees levied from people who have dealings with the Customs Department in the various Customs Houses, and the explanatory note at page 9 shows that while Bombay levied actually Rs. 1,50,416 in 1923-24 she spent in that

[Khan Bahadur W. M. Hussanally]

year Rs 1 18 796, the revised estimates for 1924-25 have been put at Rs 1 95 000 and the expenditure at Rs 1 95 000—the receipts are the same as the receipts. In the budget for the next year they provide Rs 2 10 000 receipts and Rs 2 40 000 expenditure. But when we go to the accounts we find that while in 1923-24 the receipts were Rs 12 7 20 and the expenditure Rs 13 168 the revised estimates for 1924-25 have been put at Rs 50 000 and the expenditure at Rs 35 500. I have to say that nothing like Rs 15 000 and for the next year the provision is Rs 25 000 and Rs 25 000 only under expenditure. The Government have provided Rs 30 000 again. The Government have provided Rs 30 000 to be paid to the custom employees for overtime work that they have done beyond regular hours of duty, and I do not see why Government are not entitled to get out of this sum so far as Karachi is concerned. Sir, if the Government is concerned they provide for receipts of Rs 2 00 000 and the expenditure of a similar amount, similarly in Chittagong and Bombay. Karachi is only Customs House where they pay to how many people? I do not see why Government are entitled to receive this sum and let it to go to the officers who actually work and since then the officers of Customs Houses are paid the whole sum that is paid to the public. I do not see why the Karachi people should be benefited in this manner. The Karachi Preventive Service and the Appraising Service are not mentioned and there have been very large complaints about it. In addition to that the staff are deprived of their salaries and it is hard for them to bear. I therefore request the Government to reconsider this item and pay the staff in full what they are entitled to for the public for it.

**Mr. President:** Reduction moved.

That the provision for overtime and holiday allowances in the Customs Division be reduced by Rs 100.

**Mr. A. H. Lloyd:** Sir, I think I can explain this in a minute (Laughter)—I am glad I am getting a better understanding of the finances of the House. If the Honorable Member had studied the paper he has referred to a little more carefully he would have seen a footnote at the end which alludes to the fact that there are somewhat different conditions at Karachi from those elsewhere. The Central Board of Revenue has not had time to discover exactly how this difference in the accounts comes about, but the net result is this: merchants' overtime and Government overtime is all met as far as possible from the collection of duties from merchants. The total collections made from merchants under heads I and III in the revised estimates for 1924-25 for Karachi are Rs 70 000, the total disbursements under heads I and II are Rs 81 000. Of this sum of Rs 81 000 only Rs 3 500 is not distributed to officers; that is to say, the total amount distributed to officers in the way of fees is Rs 77 500, against receipts of Rs 70 000. Therefore instead of making a profit we have actually made a loss at Karachi, and the figures show that we are budgetting for a somewhat similar result next year.

**Khan Bahadur W. M. Hussanally:** Under the circumstances, Sir, I withdraw my motion.

The motion was by leave of the Assembly, withdrawn.

**Mr. President:** The question is

That the sum of Rs. 70,89,000 be granted to the Governor General in Council for the charges which will come

**Sir Hari Singh Gour** (Central Provinces Hindi Divisions Non-Muhammadian): I have voted in No. 11 under this head.

**Mr. President:** Will the Honourable Member tell me what he wants to draw attention to?

#### INCREASED EXPENDITURE ON ESTABLISHMENT

**Sir Hari Singh Gour:** Sir, I want to move

That the sum of Rs. 100

**Mr. President:** I want to ascertain what he wants to draw attention to.

**Sir Hari Singh Gour:** It is obvious. I have pointed it out in my note, that is what I intend to do.

**Mr. President:** That is what I want to understand, I do not understand its meaning.

**Sir Hari Singh Gour:** That will come out in the speech. What I wish to point out to the Government is that the expenditure under the head Customs has gone up by 7 lakhs, and in the ensuing year a further provision is made for increased expenditure on establishment to the extent of 6 lakhs. That is to say, there has been in the current and next year an increase of 13 lakhs of expenditure.

**Mr. A. Rangaswami Iyengar:** May I know, Sir, if this matter has not been discussed in connection with Mr. B. C. Iyengar's motion?

**Sir Hari Singh Gour:** The income from Customs has gone down by 25 lakhs. If the Government are concerned with the expenditure rising, and I am complaining of it, I want the Government to explain why it is that there has been such a rise in expenditure which I have just mentioned, though the income from Customs has gone down by 25 lakhs. I may also point out in connection with this that the increased receipts from Customs are not due to any increased work done by the Customs staff but to the increased tariff, and consequently I see no justification whatever for increasing the Customs staff to the extent I have pointed out, namely by 13 lakhs. Sir, I move the motion that I read in my name.

**The Honourable Sir Basil Blackett.** Sir, I think the Honourable Member has made one mistake. If it is the custom revenue of 1921-25 that has gone down by 25 lakhs. If he could look at my budget speech he would see that I explained that the gross revenue has gone up very considerably, but there was a special refund to the Railways in respect of a Privy Council decision which made the net figure appear rather lower than for the year before. We are estimating for a considerable increase in net receipts in the current year, so that the first premise of the Honourable Member is incorrect. There has been an increase and not a decrease, in customs revenue. His second premise is based on a comparison of this year's budget estimates with last year's revised estimates. That is not a comparison of like with like. If he will compare this year's budget estimate with last year's budget estimate, he will see that there is an increase of less than a lakh. I have

[Sir Basil Blackett.]

not got in my mind at the moment any exact explanation of the points at which the increase has taken place, but it was brought to our attention many times during the year sometimes by the Chambers of Commerce, for example, that there were delays in the Customs House and complaints had been made on the whole of insufficiency of staff rather than of staff being too large or the expenditure being too great. The Honourable Member has also to bear in mind that we have now not only a very large revenue tariff to work but a protective tariff in addition. When all these circumstances are borne in mind, I think that the justification for a budget estimate which is very little in excess of last year's budget estimate is right and the explanation ought to be taken as satisfactory. I see no reason for supposing that there is any room for any important reduction in this grant, and I would suggest to the Honourable Member that he should accept my explanation and withdraw the motion.

**Sir Hari Singh Gour:** Sir, I beg to withdraw the motion.

The Motion was, by the leave of the Assembly, withdrawn.

**Mr. President:** The question is :

"That a reduced sum of Rs. 70,89,000 be granted to the Governor General in Council to defray the charge which will come in course of payment during the year ending the 31st day of March, 1926, in respect of 'Customs'."

The motion was adopted.

The Assembly then adjourned for Lunch till Twenty Minutes to Three of the Clock

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The Assembly re-assembled after Lunch at Twenty Minutes to Three of the Clock, Mr. Deputy President in the Chair.

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#### DEMAND No. 19—OPIMUM.

**Mr. Deputy President:** The question is :

"That a sum not exceeding Rs. 1,78,95,000 be granted to the Governor General in Council to defray the charge which will come in course of payment during the year ending the 31st day of March, 1926, in respect of 'Opium'."

#### OPIMUM POLICY OF THE GOVERNMENT OF INDIA.

**Mr. C. Duraiswami Aiyangar:** Sir, I rise now to bring before this House a question which is of very great importance. All along we have been dealing with questions relating to domestic grievances and domestic humiliation. This morning my revered leader, Pandit Motilal Nehru, has been terming the cotton excise duty as a disgrace and he mentioned the word "disgrace" so many times that I counted only up to half a dozen and did not trouble myself to count more. But, Sir, if the cotton excise duty is a disgrace, the most disgraceful thing is the opium traffic that this country has been carrying on. It is a disgrace not only within the four corners of India but before the whole world, before the League of Nations, and everywhere India is talked of in a very low strain. (*Mr. K. Ahmed:* "What

about China? Sir, I am sure that the inhabitants of China and if Mr. Kabeer-ul-Din, As a man anxious to leave India, I daresay he will be welcomed in China and will find his place there. Sir, from the year 1758 the policy, which has been observed by the Government of India in the matter of opium traffic has been a continuous history of outrage on morality and civilisation. It is so happens, Sir, though it is a very unhappy coincidence, that in the year 1793 two Empires situated close by should adopt two different policies. In the year 1799 the Chinese Emperor issued an edict prohibiting all further import of opium into China and also took steps to suppress opium within China. In the very same year, 1799, we find Lord Cornwallis introducing a State agency for the manufacture and for the sale of opium in this a Liberming country and trying, if possible, even to suppress the opium competing with Bengal opium, and we find Sir, that by the time we reach 1836 so much expansion had been made of opium cultivation in this country that this Government began to smuggle opium into the Foreign Empire which hated it, into the Empire which prohibited it, so much so that it led us into the first Chinese War, which is generally known as the Opium War, which cost us not only a moral degradation but also a considerable loss of money to the Indian treasury. Sir, when a treaty was concluded in the year 1842 with China, this Government were not satisfied with territorial acquisition, with commercial acquisition, with monetary acquisition, but they still wanted that legislation of opium import must also be made. But, Sir, the Chinese Ministers were not able to approach their Emperor with that question, and so, Sir, it happened that our Government were allowed to smuggle opium with the connivance of the officers there and without the knowledge of the Emperor. Then, Sir, we find the second Chinese War in 1856-58, which ended in a treaty in the year 1858, and then on that occasion this Government succeeded in legalising the import of opium into China by having a duty imposed upon it. Somehow or other, this Government will not cease forcing its opium upon an Empire which does not want it. In the year 1868 a further objection was raised by the Chinese Emperor and this Government succeeded in retaining its import but with an enhanced import duty. Luckily, a society for the suppression of opium was started and it carried on such a vigorous agitation from the year 1874 that the Foreign Secretary in the House of Commons was obliged to say in the year 1891 as follows:

"The Chinese at any time may terminate the treaty on giving twelve months' notice and to protect themselves they may exclude it altogether. This I think I may say that, if the Chinese Government thought it proper to raise the duty to a prohibitive extent or shut out the articles altogether, this country would not expend one pound in powder or shot or lose the life of a soldier in an attempt to force opium on the Chinese."

Sir, this shows that this Government are not convinced of the immorality of the traffic but will consent to stop import into China only when China takes the necessary steps to stop it. This looks like the faith which some non-violent non-co-operators have in non-violence in that they will be non-violent only so long as they are not able to be violent. Sir, this kind of attitude has been perseveringly held by this Government. In 1893 we had a Royal Commission on Opium. This Commission came all the way to India and made its inquiries but, Sir, the report of the Commission was most disappointing and for that report the responsibility was largely due to an ancestor in office of Sir Basil Blackett, i.e., Sir David Barbour, the Finance Member at that time, who contended for his 6 million of opium revenue not being lost and who shed crocodile tears for the people of this

[Mr. C. Duraiswami Aiyangar.]

country who would otherwise be taxed immensely, if this revenue was to be lost. The recommendations of that Commission were (1) that the importation of Indian opium was allowed by the Chinese Government. Is that a pretext, Sir, upon which you can force a poison into other countries? Can you force poison into other countries for the simple reason that they did not object to it? Can you murder a man because he does not object to being murdered? Sir, the second recommendation was that it was not imposed by intimidation or pressure of any kind. Surely there was no intimidation or pressure except war whenever they resisted it. The next recommendation was that the withdrawal of the Indian trade would have no practical effect on the consumption in China. Sir, that looks like a ridiculous plea—that if there is no reduction in the consumption of opium in China there is sufficient ground for our importing also our opium into that country. The fourth recommendation which they made was that the withdrawal would be unjust to the Indian cultivators of poppy. How did you develop these cultivators of poppy in this country? It was for your financial benefit. It was for your purposes only that two lakhs of acres of land are locked up against production of useful foodstuffs and, after you have taught these cultivators how to cultivate poppy, you say that these cultivators would be prejudiced if you stopped the import of opium. Sir, that again was no good recommendation at all. Then, it is stated that the people were not willing to submit to fresh taxation on this account. It is a very good theory to say, as though you have been taxing the people only according to their will. You never tax these people against their consent. And yet in the matter of opium policy you would plead that the people do not consent to more taxation. Then, another recommendation was that it was not likely that the English Government would contribute towards the carrying out of the measure, as if the English Government is contributing towards all our deficits. But, Sir, there is one thing. One bad thing which was committed by that Commission was that they likewise held, along with these recommendations, that India considered opium to be harmless. They reported that the eating of opium is not harmful at all, and that is the theory which seems to be held even to this day and that, Sir, is the pity of it. From the papers received to-day we find that replying to Mr. Buchanan in the House of Commons Earl Winterton said that the view of the Government of India, based on the findings of the Royal Commission on Opium of 1895, was that centuries of experience had taught the people of India discretion in the use of prepared opium which was for the most part without injurious consequences. The distribution of opium was strictly controlled in accordance with the provisions of the Hague Convention. Lord Birkenhead did not propose to interfere with the discretion of the Government of India and the Provincial Governments in the exercise of this control. That, Sir, is the reply which has been given in the House of Commons and which news we have received to-day. Till now they have been holding that it is harmless and in spite of protestations of so many conventions and conferences this Government would not yield an inch to agree in the view that opium is harmful and poisonous. (Here Mr. K. Ahmed interrupted.) Don't smuggle your interruptions in an opium speech.

From 1906, Sir, there has been some change. China entered into a contract with the Indian Government by which the Indian Government agreed that within ten years they would stop the complete import of opium, and in 1911 there was a further contract by which the period was expedited.

And just as the process of ill-health would always go with the non-virtuous then, with the demand as the input quantity decreased, the income increased. A man who was selling at Rs. 1,200 began to sell at Rs. 4,000 and odd. In 1906, the total income was 576 crores. In 1910, after a reduction of 20,000 chests by that time, the income was 914 crores. Sir, when this Government first made opium import into China, they gained in other respects. There were other Colonies with which they entered into contracts—the Straits Settlements, Hong Kong, Dutch Indies, Siam and British North Borneo, etc. Sir, I consider, and I consider without the least hesitation, that this policy has been a combined suicide and murder. We are killing our people in India and we are also committing murder near India and outside India. Sir, this is a policy which must necessarily go, and in the words of Pandit Motilal Nehru I would say that if you consider this to be a disgrace, the disgrace must go at once and not by slow measures and by graduation. Sir, I would read to you a small passage from the observations of Ching, M.P., on 20th April 1889. He says:

"I have been in the East End gin palaces on Saturday nights. I have seen men in various stages of delirium tremens. I have visited many idiot and lunatic asylums but I have never seen such horrible distraction of God's image in the face of man as I saw in the 'Government' opium dens of Lucknow. To my dying day I shall carry the recollection of the face of a handsome young woman of 18 or 19 years sprawling on the senseless bodies of men, her fine brown eyes flattened and dulled with coming stuper and her lips drawn back from her glittering white teeth.\*\*\*\* I came out staggering and faint with the poison laden atmosphere."

That is the strong condemnation which Mr. Ching has made of the opium manufacture here.

Sir, coming to internal consumption, you find that in the year 1921-22, 18,458 maunds were produced, of which 6,182 chests were spent in local consumption. Sir, we have been told that the practice of eating opium is not confined only to adults but is extended to children and babies. Those who are working in factories, we are told, are administering opium to their babies in order to prevent them crying during their absence. To that extent the use of opium has been extended. Are we, Sir, to allow such extension of opium, both among the babies as well as the adults? Medical opinion is strong that consumption of opium leads to several kinds of disease. It makes people emaciated, and unless your political policy is to make the Indian people emaciated and also their neighbours emaciated, I daresay, Sir, that you will agree that this spread of opium must be given up by the Government as an act of virtuous measure. Mr. C. F. Andrews has given some figures. He says that in industrial centres in Calcutta 144 seers per 10,000 are consumed, in Rangoon 108 seers per 10,000 are consumed, in Hyderabad (Sind) 52 seers per 10,000 are consumed. For various other places he gives other figures, and you will find, Sir, that the League of Nations decided that 6 seers per 10,000 would be the wholesome quantity that can be allowed. We have got these figures, and in the face of these figures prevailing in industrial centres, do you expect that this nation will ever prosper physically if you are going to force opium upon these people?

With reference to the suppression of opium several international conferences have been held and what has been the attitude of the Indian Government and the British Government in these conventions and conferences? They have been playing the same game with them as they are playing with us in our internal matters. Words like "progressive steps" "progressive stoppage" "gradual stoppage," words which they are using for Indianisation



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of the services and the granting of responsible government for us--these are the phrases which they have been utilising even in those conventions and conferences. Sir, the nations of the world are not likely to be deceived as the people of India, and I think they must make up their mind to bring in more definite phrases than phrases like these in the League of Nations. Sir, when America contended in the League of Nations that the use of opium produced for non-medical and non-scientific purposes is an abuse and not legitimate and that no surplus production should be made in any country, our Indian representatives there made a reservation in these terms:

"The use of raw opium according to the established practice in India and its production for such use are not illegitimate under the Convention."

That takes away the entire effect of the resolution. They have introduced a reservation clause which takes away the effect of the entire resolution passed at the Convention. Sir this is the way in which they treat the matter, and when in this Assembly some Honourable Members including my humble self put a question to Sir Basil Blackett, the answer given was that the proceedings of the League of Nations did not disclose any such statement made by Mr Campbell. That was with reference to an article written by Mr. Andrews saying that Mr Campbell said in the League of Nations that in the matter of opium policy the Indian Government and even the leaders of public opinion in this country have not raised any objection, including among those leaders, Goldade and Mahatma Gandhi also. There is the denial that this particular remark was not found in the proceedings of the League of Nations. However, Sir, subsequent to that, there was a peasants' conference in the United Provinces on the 12th June, 1924. The peasants combined together and passed a resolution condemning the policy of the Government in the matter of the spread of opium. On the 29th June, 1924, there was a meeting of the all-India Congress Committee, which passed a resolution condemning the whole policy of the Government. On the 12th August, 1924, the Temperance Federation passed a similar resolution and Mahatma Gandhi himself has stated:

"If the whole of the opium traffic was stopped and the sale restricted to medicinal use only, I know there will be no agitation against it worth the name. From the moral standpoint there is no defence of the Indian opium policy."

In these strong terms he has expressed his opinion. And yet what is it that you find when this matter came up for discussion in the Council of State? The Honourable Mr. McWatters, on behalf of Government, regretted that except for a few workers like Mr. Andrews there had been very little public opinion expressed in this matter, and said that the Indian National Congress discovered this opium question only last year. Sir, is it a fact that public men of repute in this country, including the leaders of the Indian National Congress, discovered this opium policy only last year or recently? Have they been awakened only by the agitation set up by Mr. Andrews? If you read the budget speeches of Mr. Gokhale you will find that on several occasions he has declared that this opium policy must go, and apart from the question of the suppression of the opium evil in India, he was very anxious that its import into the neighbouring country China must be stopped forthwith. Even though he had declared this in such strong terms, we are told by the Honourable Mr. McWatters that there has been no public opinion in this country condemning the policy of Government in this matter!

Now, Sir, in the League of Nations meeting which was recently held, there was a Joint Committee appointed first on the 25th January 1925. By the time they reached the 6th February 1925 two delegates withdrew—that is, those from America and China—because the British Government would not allow them to proceed one step towards progress. That was the indignation with which they left the Convention and still Lord Robert Cecil, appealing to the Chinese to stop further production, emphasised the British policy in terminating the opium evil, but the Chinese delegate distinctly stated that as no undertaking had been given to suppress opium smoking in the far eastern territories the delegation considered no good purpose served. Sir, in the final Convention which was agreed to on the 12th February 1925 there is again a dispute about the period of 15 years. The British Government accepts 15 years—the British Government includes as an enclosure to it the Indian Government. The American Government want also 15 years, but the difference between the two Governments lies in this. 15 years from the date of the Convention, that is, from January 1925, is what America wants. But what do the British Government and the Indian Government want? They want that 15 years must be reckoned after it has been ascertained by an International Commission that no smuggling is taking place from China, that is, from the time that China goes dry. Sir, why do you compete with China in a matter so immoral as this? What does it matter whether China becomes dry or not? Is it not the duty of Government to make India dry first? Is it not your duty to teach an ideal to other nations? Instead of doing that, you stick to your finance and not to the policy of putting down the evil. If that is an evil there is absolutely no doubt that the Indian Government and the British Government are potent enough to stop it in a day. They have got the power to do it if only they will it. Sir, this construction of the period of 15 years starting from the date when China becomes dry is one of the most evasive answers that the people could possibly have given to the League of Nations, and it is the duty of this House to show to the world at large that this House is not prepared to postpone the stoppage of this evil even by a day. This House must express its strong condemnation of the view of the British Government and give its approval to the American view in the matter.

Sir, other countries have got Dangerous Drugs Acts. There is the Ceylon Opium Ordinance, there are so many other Acts in other countries, but what is there in India? I believe, if as a lawyer I can express any opinion, that all those persons who are vending opium, even though it be under the authority conferred upon them by Government, can be prosecuted under section 321 of the Indian Penal Code for administering deleterious substances and poison to inhale and to swallow and they are certainly liable to be punished under that section if you only take the necessary steps. Those vendors of opium cannot plead that they have got the authority of Government if only such a case can be taken before the Court. But which Court will convict any such person in the face of the policy of the Government, which is so open, and so definite? It is absolutely necessary that this country should, as soon as possible, take the necessary steps to put down this opium evil altogether. It may be asked, if all of a sudden this is stopped, what are we to do with those persons who have cultivated poppy already, to whom we have to pay, and for which we have made a provision in this Budget of Rs. 1,58,00,000? Sir, did you not know the trend of events and the view of the League of Nations? Did you not know that this Opium Department, whether you will it or not, must vanish altogether from your Financial statement? If so, why did you allow poppy to

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be cultivated to such an extent as to entitle an expenditure of Rs. 1,58,00,000 to be paid during the ensuing year? If you want to root it, you had better cut down your military expenditure and pay the cultivators and then bring in a supplementary Budget with a new estimate. This department, called the Opium Department, in the Budget. There is absolutely no excuse why you should continue this Department even a day longer. If for medicinal purposes you require opium for the ensuing year, I daresay you have got 615,000 seers of opium on hand which is the normal balance which you always keep on hand, and out of that you can certainly spend not only for medicinal purposes, but also for giving relief to the poor, if you want, who are so much addicted to opium that they cannot do without it immediately. Therefore, there is no ground whatever why this Opium Demand must be allowed even to the extent of one pie.

I see several amendments proposed by Honourable Members of this House, some asking for Rs. 100 cuts, some asking for the appointment of a committee of inquiry and so on. The motion for the appointment of a committee of inquiry is neither more nor less than a dilatory one. It might well have come from the Government Benches because that will be a pretext which they can give to the League of Nations that they are taking steps by appointing a committee of inquiry. The inquiry will go on endlessly, and the Government will say to the League of Nations that they are very prompt in carrying out the policy of the Convention. I will not for one moment support any such motion. That committee of inquiry will have nothing new to enunciate or to discover. It has been discovered definitely that there is a great deal of poison spread in the country and it ought to be put down at once. That opium is a poison and a bad one has been definitely stated and proved. That it has spread here a great deal is also definite, and what, Sir, is the purpose of appointing a committee of inquiry at such a time like this when the whole world is advancing rapidly? I ask Honourable Members who have given notice of such a motion not to move it, but on the other hand, if they please, to chalk out a progressive programme by cutting down Rs. 40 lakhs this year, 50 lakhs next year, and so on, so that four years hence the thing may vanish from the budget statement altogether. But for my part I feel strongly and I am perfectly certain the House also does the same, that this is an evil which cannot be allowed to continue for a day longer and must go at once.

Sir, with these few words I move my motion, and, if the President is pleased to allow me, I will myself move a modification by moving a reduction of 90 lakhs which will mean that this year you cut down by 90 lakhs and next year this vanishes altogether, but if I am not in order in doing that, I move the first motion:

“That the Demand under the head ‘Opium’ be omitted.”

**Dr. S. K. Datta** (Nominated: Indian Christians): I have had considerable difficulty this afternoon. I have only been in this House a very short time but I am learning and learning quickly that modesty is not a virtue that you ought to cultivate here. Indeed, Sir, I proposed that we should make a reduction of Rs. 100. My friend compels me now by his action to speak on a motion for the complete omission of this Demand. At the very outset I desire to call the attention of the House to the policy of the East India Company and later of the Crown in India with regard to the cultivation and control of opium. In a despatch from the Court of Directors, dated the 24th October 1817, they gave sanction to certain regulations for the control of the sales of opium. They expressed the desire

‘to restrain the use of this pernicious drug were it possible.’ They went on to say ‘to prevent the use of the drug altogether except strictly for medicine, we would gladly do it in compassion to mankind’. That was in the year 1817. If I may be permitted I will quote certain other opinions relating to subsequent years which were strongly held by some of the best officials and others of those times.

Writing in 1820, Lieutenant-Colonel James Tod, Political Agent to the Western Rajput States, in his book on the Annals and Antiquities of Rajasthan said:

‘This pernicious plant has robbed the Rajput of half his virtues.’

‘This drug which has tended more and more to the physical and moral degradation of the inhabitants than the combined influences of pestilence and war. . . .’

‘Execrable and demoralising plant.’

A Superintendent of Tea Plantations in Assam wrote thus.

‘Dreadful plague which has depopulated this beautiful country.’

‘This vile drug has kept and does now keep down the population.’

‘Few but those who have resided long in this unhappy country know the dreadful and immoral effects which the use of opium produces on the native.’

That was in 1840. Apparently there was in those days a consensus of opinion against the use of opium but the attitude of Government changed and in comparatively recent years the Government, as all Governments do, moulded their policy in accordance with the immediate situation which presents itself before them. I will return to this point a little later. Now we come back to the Royal Commission of 1895, that is 30 years ago. The appointment of that Royal Commission was not due to action taken by the Government of India, but was due to action taken by certain philanthropists in the United Kingdom, pressure of public opinion in the United Kingdom resulting in the appointment of this Commission which reported in 1895. Now it is to this document of 1895 that the Government pin their faith. We see in the newspapers to-day an official statement made in the House of Commons which looks extraordinarily like the replies given to this House by the Honourable the Finance Member. Over and over again we are referred to the Royal Commission of 1895; indeed it is the gospel according to the Finance Department. Now, I may remind the House that there is one great difference between the gospel and this document; the Christian gospel is obtainable in every language in every part of the world and obtainable easily. I have had the greatest difficulty in tracing this document—the Royal Commission’s Report of 1895, and I have a very shrewd suspicion that the Finance Member himself has not read it. He may have, but certainly not the Under Secretary of State for India. Now, let us turn to the terms of reference of this Royal Commission of 1895. The Commission was asked to report among other things on the following matters:

“Whether the growth of the poppy and the manufacture and sale of opium in British India should be prohibited except for medical purposes and whether this prohibition could be extended to the Native States.”

They replied that it could be done. It has not been shown or admitted by the people that the growth of the poppy and the manufacture and sale of opium in British India should be prohibited except for medical purposes. In the second place they also say that prohibition of the growth of the poppy and the manufacture and sale of opium in British India except for

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medicinal purposes involves the destruction of the export trade of Bengal opium from Calcutta to China and elsewhere and this would inflict a very heavy loss of public revenue to Government. Again it was the consideration of the public revenues of India.

The third of the terms of reference was:

"The effect on the finances of India of the prohibition of the sale and export of opium, taking into consideration the compensation payable, the cost of the necessary preventive measures and the loss of revenue."

The fourth was:

"Whether any change short of total prohibition should be made in the system at present followed for regulating and restricting the opium traffic and for raising a revenue therefrom."

The reply of the Commission was that

"the regulations for the restriction of the consumption of opium may be amended in various particulars. We are not prepared to make recommendations without careful study of details."

Those details were never stated:

The fifth reference was:

"the consumption of opium by the different races and in the different districts in India and the effect of such consumption on the moral and physical condition of the people."

The reply of the Commission was:

"We have made exhaustive inquiry into the consumption of opium in India and its effects. We find no evidence of extensive moral and physical degradation from its use. The whole question of effects of opium as medically considered must be worked out later in detail upon a careful collation of the large mass of evidence before the Commission."

That was never done. So much then for the Opium Commission report of 1895. One of the members of the Commission, Mr. Henry Wilson, Member of Parliament, wrote a minute of dissent. He discussed the evidence of the various people who gave evidence before the Commission and said that among the Indian witnesses the pro-opiumists, as they were called, are wealthy, the anti-opiumists consist of journalists, lawyers, teachers, professors and Indian doctors. Here then are the great wealthy landlords on the one hand who said that opium was good. On the other hand, you have important persons who are truly concerned for the welfare of India and they were against the policy of the Government of India in 1895.

Let us next pass on to the next document in the history of this opium policy. It is Lord Hardinge's despatch of 1911 on the question of opium and the opium traffic. It upheld the recommendations of 1895 and I shall quote a passage which is a panegyric on the virtues and value of opium. That passage runs as follows:

"Opium is in virtually universal use throughout India as the commonest and most treasured of the household remedies accessible to the people. It is taken to avert or lessen fatigue, as a specific in bowel complaints, as a prophylactic against malaria, to lessen the quantity of sugar in diabetes and generally to allay pain in sufferers of all ages. The vast bulk of the Indian population, it must be remembered, are strangers to the ministrations of qualified doctors or druggists. They are dependent almost entirely on the herbal simples of the country; distance and the patient

acceptance of hardships standing in the way of prompt access to skilled medical relief. In these circumstances the use of opium in small quantities is one of the most important aids in the treatment of children's sufferings. It is also a frequent help to the aged and infirm, and an alleviation in diseases and accidents which are accepted as incurable. To prevent the sale of opium except under regular medical prescription would be a mockery; to many millions it would be sheer inhumanity."

That document of 1911 laid down that opium possessed certain medical virtues. In the first place, it was a specific against malaria—an exploded theory. In the second place, that it was an anodyne, and there certainly experience was with the Government of India. In the third place, it was necessary for the ailments of children. To this matter I shall return in a little while. Might I at the outset here state that I do not condemn the Government of India out of hand. As a matter of fact the Government of India have made efforts to control the opium trade. The first was the suppression of the trade with China. I do not say the conscience of the Government of India was stirred. It was another conscience outside India that made that possible. (*A Voice*: "Have they any conscience?") No Governments have a conscience. In the second place very definite steps have been taken in India during the last 10 years to restrict the area of cultivation of opium and also to restrict the trade in opium. But in spite of these endeavours I will show, and I desire to take up with a little care, the incidence of opium consumption in various classes and races of India. My friend Mr. Duraiswami Aiyangar referred very pertinently to the figures set down by the League of Nations, the result of a medical inquiry, as to what consumption of opium *per capita* was necessary to meet the necessities of a population, and the figure arrived at was 6 seers per 10,000 of the population. Now let me turn to some of the areas in India. The consumption in the town of Calcutta is 143 seers. (*A Voice*: "A day?") No, a year. As a matter of fact the consumption in the whole of Bengal is singularly smaller than that, something like 5, 6 or 7—I cannot exactly remember the figures. (*Mr. A. H. Lloyd*: "8.") In Rangoon it is 108, in Lahore 40, in Ferozepur 60, in Cawnpore 29, in Madras 26, in Bombay 43, in Sambalpur 44, in Sholapur 35, in Karachi 45. Indeed, Sir, the other day the Finance Member of the Bengal Government in his speech introducing the Budget of the Bengal Government in the Legislative Council gave us the figures of the consumption of opium in Calcutta and in Bengal generally. From those figures it is clear that almost a third of the total amount of opium used in Bengal is consumed by the one million people in the city of Calcutta. Does not that dispose of the argument that restriction is impossible as medical relief is impossible? Is it not in these large industrial areas and great cities in which medical relief is most easily obtained that consumption is greatest? In other words, in the remote districts consumption is small. It is precisely in those towns where medical relief is available that consumption is so large. That then is one of the things which I would urge on the attention of Government—particularly in these industrial areas. (*Mr. Darcy Lindsay*: "What is the Chinese population of Calcutta?") About 8,000 I think. Now let us take another factor. In the first place then the high incidence in towns and industrial areas; in the second place the high incidence where certain races are concerned. I will give you some of these figures. The figure for the province of Burma as a whole is 28 seers per 10,000 of the population; but in the districts of Mergui and Tavoy it is 147 and 65 seers respectively, while in Rangoon it is 108 seers per 10,000. Now Mergui and Tavoy are precisely the districts where there are large bodies apparently of

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Chinese origin who work in the mines. In Rangoon there are also very substantial numbers of Chinese. Indeed, I believe that if I were to ask my Honourable friend the Member of the Burma Chamber of Commerce he would tell you that the Chinese workman will not work unless he obtains a certain amount of opium. In Burma itself—I trust the Burmese Member for Burma will speak in this debate—the sale of opium to the Burmese in Upper Burma is prohibited altogether by law, and this high incidence probably is due to the large Chinese populations in the *toes* and in that particular province. There are certain other features which I do not seem to understand with regard to the incidence. You find a very high incidence of opium consumption in hill stations, or rather in districts round the hill stations, in the Nilgiris and the district of Simla. It may be due possibly to the presence of the Government of India where the main industry is to govern India narcotically. Another feature of these figures to which I will refer is that on the east coast of India from the district of Godavari up to the districts of Orissa, the sea-board districts, the incidence of opium consumption is exceedingly high. I have referred to the Royal Commission's Report and I have tried to make inquiries why this is. The Government version is that wherever you have heavy precipitation of the monsoon there you find people indulging in opium. Now that does not hold good on the other side of India, the western sea-board of India. It does in the northern portion of the Madras Presidency and in Orissa. My own opinion however is that it is due to the very large emigration that takes place. Coolies from precisely those regions go into Assam and to Calcutta and above all to Burma and there these habits are contracted which lead to the spread of the habit in the northern district of the Madras Presidency as well as in the sea-board districts of Orissa. I will not deal with the figures of Assam. I do hope that some Member from Assam will take them up.

Now I shall pass on to another feature of the situation, namely, the administration of opium to children. May I quote the opinion of Dr. Jihannu Mistri, a lady doctor practising in Bombay, where she says:

"The percentage of opium eating under medical advice is very small. The greatest abuse to which it is put is the prevailing habit of dosing children with it to keep them (a) from crying, even when it is due to such legitimate cause as insufficiency of mother's milk, or (b) to keep them quiet while the mother goes out to work, or (c) from a prevailing false impression that it is good for the healthy growth of a child, (d) it is largely used to check diarrhoea in the shape of a decoction prepared by boiling poppy capsules in water. I have had two cases of poisoning by it, but fortunately I saved them both. Ninety children out of 100 among Hindus and 75 out of 100 among the Mahomedans are dosed with opium almost from birth. For three years I devoted my attention to a great extent on breaking this habit among the children attending three of the centres of the Bombay Presidency Infant Welfare Society, and by explaining the disadvantages, etc., I succeeded single-handed in stopping it in nearly 90 per cent. of children. The mothers are easily amenable when treated as rational beings and things explained in a satisfactory manner."

Here then is a responsible opinion with regard to the conditions in Bombay. Now on the 12th February 1925 the Government of Bombay in the Revenue Department issued a Resolution, and this Resolution says:

"The quantity of crude opium in *balagolis* sold under this license is restricted to one-fortieth of a grain whereas opium ordinarily given to children may vary in quantity to any extent; and the *balagolis* are subjected to periodical examination by the Chemical Analyser, not less than once in six months. So long as the use of opium by adults is permitted, Government consider that any attempt to prevent its administration to children would prove fruitless. They are therefore of opinion that

a regulation of this kind is for the benefit of infant life and not otherwise. Government do not wish to be understood as approving of the use of these pills. They trust that with the growth of education the harmful effects of this practice would be more clearly realized, and would lead to its discontinuance. But until that happens, the licensing of *bhalagols* appears to them to be beneficial than otherwise."

May I point out one other matter. Quite recently a new theory has emerged with regard to the use of opium, and I mention it here in connection with children. It has been laid down on high authority that whereas opium is bad for the white races, it will not have the same pernicious influence on those who do not belong to the white races. This theory has been extended and several new theories were advanced that it was pernicious for the white and the yellow races but that it was only the brown races who apparently flourished under a regimen of opium given to their children. Take up any book on tropical medicine, one of those popular handbooks which Europeans in India use with regard to children's ailments and to the care of children. Invariably there is a warning in such book which warns the English mother in words such as these: "When you employ an ayah, beware, have her hands examined lest she should secretly give opium to your children." That is invariably done. The European is warned against that practice. On the other hand, we are told that it does not really matter, as for instance in connection with the administration of opium to the children of the labourers in the Bombay industrial mills.

Now let me pass to another consideration with regard to which I desire an investigation, and that into the medico-legal features of the question. Two of the most important poisons in India are arsenic and opium. Arsenic for a period over 10 years was responsible for very nearly twice the number of cases of poisoning caused by opium. On the other hand, the figures of arsenic poisoning are dropping steadily every year, whereas the cases discovered by chemical examinations show that cases of poisoning by opium are still about the same, that is over a period of 10 years, and what is the reason? The reason to my mind was the passing of the Poisons Act in which Arsenic is specifically mentioned and the Local Governments are given power to control the sale of arsenic. Opium however is not treated that way. Here is one of the recent reports of the Chemical Examiner of the Bengal Government. He says:

"682 human viscera were examined in 1923. The kinds of poisons detected in the above viscera and in the vomit and excreta received along with them have been shown in Table III. As usual, the most common poison detected in fatal human poisoning cases (*i.e.*, in human viscera and vomit and excreta received along with them) was opium including morphine."

In a recent report received from the Punjab it is shewn that out of 377 cases of human poisoning investigated by the Chemical Examiner, opium accounted for 134 or 35.54 per cent. Another matter to which I direct the attention of the Government is the question of illicit traffic. Those who are acquainted with the geography of Central India know how the Indian States are intermixed with British territory, and to my mind it is possible that it is across the frontiers illicit traffic in opium may take place, and we trust that Government will make an investigation into that matter. I would also call the attention of the House to the evidence given by Mr. Gibbs, the Excise Commissioner, quite recently before the Taxation Committee, in which he drew the attention of the Committee to the fact that the cultivation of opium was spread over 27 districts in the United Provinces and to the fact that cultivation diffused over such a large area might give rise, and indeed would give rise and did give rise, to illicit traffic. The policy of Government, he added, ought to be to concentrate the cultivation of opium



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and not to allow it to be spread over such a large area. I believe the Government have already made inquiries with regard to these matters and with regard to the consumption of opium by children and the high incidence of consumption in Assam. There is one other matter to which I have not yet made a reference. In reply to a question the other day the Honorable Finance Member said that the consumption of opium was looked upon by some people as a religious practice. I do not know if he has had time to make a research into the religious practices of the people of India since he made that statement, and I am not sure whether he has discovered any evidence along those lines. I admit that there is possibly a single exception, that of the people of a remote corner of Assam, among the Gossains, and even there the evidence is so flimsy as to be untrustworthy. But it seems to me that anything that is practised by a group of people, however small that group, may be represented as being religious; indeed the desire of the Government of India to retain the excise duty on opium production might be said to have almost a religious significance.

Well, Sir, I am afraid I may be exceeding the time limit but let me make a few remarks with regard to Government policy regarding the export of opium. Here then is the first document with regard to the restriction of opium export, namely, the International Opium Convention signed at the Hague on the 25th January, 1912. India was included among the signatories and the person who signed it on behalf of the British Government was no less a person than the late Sir William Meyer. This Convention lays down in articles 6 and 7:

"The contracting Powers shall take measures for the gradual and effective suppression of the manufacture of, internal trade in, and use of prepared opium, with due regard to the varying circumstances of each country concerned, unless regulations on the subject are already in existence.

The contracting Powers shall prohibit the import and export of prepared opium; those Powers, however, which are not yet ready to prohibit immediately the export of prepared opium shall prohibit it as soon as possible."

Here then is a Convention at which India was represented and at which Great Britain's delegate gave his signature to an agreement. Now these International Conventions were continued till the years 1913 and 1914 and then again after the war. Let me refer briefly to the meeting which was held of the League of Nations in May 1923. On this occasion the American delegate asked that the following two propositions should be incorporated, namely:

"1. If the purpose of the Hague Opium Convention is to be achieved according to its spirit and true intent, it must be recognized that the use of opium products for other than medicinal and scientific purposes is an abuse and not legitimate.

2. In order to prevent the abuse of these drugs, it is necessary to exercise the control of the production of raw opium in such a manner that there will be no surplus available for non-medical and non-scientific purposes."

The representatives of the Powers associated themselves with these sentiments except India which made an exception with regard to opium. The Indian reservation was that "the use of raw opium, according to the established practice in India, and its production for such use, are not illegitimate under the Convention." It was then proposed in 1923 that when the Conference met again in 1924 the matter should be discussed. The Conference had accepted these American proposals with the Indian reservation and when they came back in 1924 it was felt by the Americans that they might consider how these amended principles could be given effect to. What happened? Apparently on the representations of the British

delegates (the Indian delegate was probably responsible for this) it was proposed that there should be not one Conference, but two Conferences—the first Conference to consist of representatives of the Governments of those nations in whose countries opium was produced and in whose countries opium was used. That was the first Conference to which reference has been made in this House this afternoon. That Conference met at Geneva. What happened? The Conference was in essence a meeting of the wholesale and retail monopoly dealers in opium. There is no other phrase that we can use to describe them. They were either producers of opium or allowed this opium to be used—in other words, they were a body of representatives of those who had very large financial interests in this opium trade. The Americans asked that this Conference should not meet separately but should meet in the general Conference composed of all the signatories of the Hague Convention; but that again was disallowed and the Americans were voted down in that matter. Now, these two committees met together. Of course when the merchants, wholesale and retail, met together, the one thing uppermost in their minds was how they should prepare for the next Conference at which these very troublesome Americans would be present. That to them was the whole programme—how they could meet these people, very idealistic people, who had come there to make a demand to which these people as merchants could never accede. Then came the result of the first Conference, the agreement (that agreement was drafted apparently by our delegate, Mr. John Campbell). As a friend of mine wrote to me from Geneva, this was signed in unusual circumstances—the agreement was signed by Mr. Campbell in advance and it was hawked round the corridors of the hall of the League of Nations—India's delegate asking for signatures to this agreement. And what was this agreement in essence? One of the most important provisions of it was that minors should not be admitted into opium dens or opium divans as they were called. As Bishop Brent for whom personally I have the greatest and the highest respect, remarked, one of the American delegates at this Geneva Conference said words to this effect: "In 1912 you were going to suppress this evil habit of opium smoking; now after thirteen years you bring this proposal forward that minors ought not to be allowed to be admitted into opium dens, a provision which ought to have been made years ago. Are you really serious? Are you really serious in this matter?" After the first Conference, the second Conference met—with what result? With the result that what America asked should be done was turned down. The Powers refused to accept it—in other words John Bull and Company again proved too powerful. There was Britain; there was India which was another name for Britain; there was Australia which was again another name for Britain; there was Canada which was another name for Britain again. And that group of representatives with other nations who were also interested in this traffic determined that this Conference should be brought to naught. Well, Sir, in conclusion, may I ask whether India is really standing by the document which her representatives signed in 1912 and reaffirmed in the Treaty of Versailles? The Hague said that prepared opium was not to be exported. India says "We do not export prepared opium." But we all know that it is prepared as soon as it is exported and it is really no reply to say that we are not transporting prepared opium.

In the second place, Sir, I wish to draw the attention of the House to the very powerful influence which is exerted in London. To whom is the

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delegate of India responsible? To the Indian Government, to the Secretary of State or to the Indian people? As a matter of fact things are being arranged in London. A crore and a half or two crores of rupees is a comparatively small amount compared with our total revenues. Is the Indian delegate our delegate or the delegate of the Indian Government? What happens? He and probably some official from the Colonial Office meet together. The revenue of the Straits Settlements is about 10 to 30 to 60 per cent. of it, from opium. In one year I think it was about four years ago—the total expenditure of the Government could have been met merely from the revenues of the opium monopoly. These countries, the Colonies, are not asked to sacrifice their revenue; it is an enormous proportion of their income and there in London they meet together, they come to terms with the Indian delegate. I ask Sir, that this should be stopped. Will the Government of India declare their policy? Are they willing to make an inquiry into the internal consumption of opium and its effects as we have presented it to the House? Next, are the Government of India willing to inquire into this question of the export of opium? Are they willing to take the initial step? The Crown Colonies are not willing to move. It is for India then to take the initiative in this matter. The moral sense of the world is being stirred. It is operating in India to-day; it is operating in all international affairs. Whatever the Finance Member may say to-day, whatever the Government of India may decide to-day, the suppression of this trade is bound to come. The finances of India are not very bad just now; will the Government of India be willing within the next few years to suppress it?

Well, Sir, I am done. The Honourable the Finance Member the other day perhaps in a moment of petulance threw it at some of us who had asked a question as to whether public bodies in India, the National Congress and certain Christian bodies, had asked for the suppression of this trade. He said that in every country there were people who desired to criticize Government. Well, Sir, I do not care whether I criticize Government; whether I oppose Government or support Government is to me not a material consideration. What does matter to some of us in this House is the moral welfare of the people of India and our good name in international affairs. The Finance Minister will go in a few years, leave India; but our children and our children's children will have to bear the burden that is imposed upon them; and I ask that a phrase such as "anti Government" in a matter like this should not be introduced. I ask then that we who desire to see a better life in India and that our name and our head should be held high in the world generally as people who are willing to support that which is good and right, that our representations should receive the consideration that they deserve. With these words I commend the motion (modify it suitably as you like) to the House. (Cheers.)

**Maung Tok Kyi (Burma: Non-European):** Sir, I thank you for giving me an opportunity of intervening in this debate at this early stage. My Honourable friend Dr. Datta has made out a case for the total suppression of the opium traffic very convincingly. He has dealt with the subject so comprehensively that those who follow him have hardly anything to say. It is said that the history behind the cotton excise duty is a black one. I think the history behind the opium problem in India is a blacker one, and the sooner the opium traffic in India is suppressed the better. Public

and I am sure against the present policy of the Government of India. I am sure the National Congress and other public bodies would stand on uncertain terms that they are entirely against the present policy of the Government. They have stated that this policy is contrary to the moral welfare of the people, and that opium should be used only for medical and scientific purposes. And yet, Sir, I am sorry to see the attitude taken by the representatives of the Government at the recent Opium Conference at Geneva is very disappointing. The impression that people in India are more or less entitled to have is that the people in India cannot do without opium. Sir, I am sure the representatives of the Government of India have good grounds for what they have treated it with something like contempt. I think it is the duty of this House to respect it. We must do our best to live up to the wishes of the people.

Sir, it is not true that there are great many difficulties in the way of suppressing opium in India. When Burmese farmers do not find any difficulty in giving up the policy of prohibition, at least as against the Burmese. For the last twenty years or so, Burmese have been prohibited from taking opium, and this policy of prohibition was so strictly enforced, that I presume there are only 3,000 or 4,000 Burmese who consume opium. Sir, I do not see any reason why this policy of prohibition should not be enforced in India. The Government of Burma have already begun to follow that policy as against the non-Burmese. The quantity of opium consumed in Burma is now progressively declining, and I hope that the day will not be far distant when opium in Burma will be used only for medicinal and scientific purposes. Sir to my mind, the only difficulty in the way of the Government in dealing this problem is the dislocation of revenues that would arise from the sudden disappearance of opium receipts. But I think this difficulty can be removed by adopting the policy of extinguishing the opium revenue during a period of five years. It is true that the receipts from opium come to something like 3.55 crores, but the expenditure is 1.80 crores. The net revenue is only about 1.75 crores. If therefore an attempt were made to extinguish the whole net revenue during only one year, there is no doubt the revenues of the Government of India would be dislocated, but if we reduce the expenditure by one-fifth every year, at the end of five years the opium revenue will disappear and there will be no dislocation of public revenues. I would therefore suggest, Sir, that out of the expenditure of 1.75 lakhs, we should reduce 36 lakhs this year, another 36 lakhs next year, and so on. Sir, this loss of 36 lakhs of revenue per year cannot do us any harm, it is only a drop in the ocean as compared with the total income of the Government of India which is something like 130 and odd crores. During the year which is about to close, due to the special efforts of His Excellency the Commander-in-Chief, the military expenditure has been cut down by over 3 crores of rupees, and I hope that His Excellency and his successor will do their level best to cut down the military expenditure in the next few years to the minimum limit fixed by the Inchcape Committee, and I hope that the expenditure saved in the Military Department can make up for the loss of revenue from opium. Sir, there is, I think, another way by which we can find the amount necessary to make good the loss of opium revenue. The Government of India have recently formulated a scheme for the reduction or avoidance of debt. That scheme has been made without properly consulting this House. I am glad to note that the question will come up again at the next session when I hope that the amount set apart for the

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sinking fund will be considerably reduced. Sir, I am one of those who believe that no Sinking Fund should be provided for productive debt. Now, we have got 725 crores at the end of the year 1924-25 as productive debt and only about 288 crores of unproductive debt. That is, roughly speaking, our unproductive debt is only about  $\frac{2}{5}$ ths of the total debt. Now, the Government of India have put by about 4.78 crores as a Sinking Fund for all the debts. I think, Sir, only  $\frac{2}{5}$ ths of that sum should be reserved for sinking fund purposes. If this suggestion is taken up by the Government of India, we should put by yearly about 2 crores of rupees for the reduction or avoidance of debt. Sir, as I have pointed out, we have every hope to save something in military expenditure and also to save over 2 crores of rupees from sinking fund. I think these two savings are more than sufficient not only to make up the loss of opium revenue but also to make up the loss resulting from the abolition of the cotton excise duty. Sir, with these few words I move my motion \*

**Mr. J. L. McCallum** (Burma Nominated Official): Sir, I am not prepared to go back with the Honourable Mover of this motion to the year 1799. He devoted most of his time to the old days and finally, when he did come down to the year 1910 when the Government of India had a revenue of 941 lakhs of rupees out of opium, he perhaps wisely stopped there. If he had come down to the present year, he would have found that the revenue had shrunk to just over one crore. Now, we have been treated to two very different kinds of speeches by the Mover and Dr. Datta. The Honourable Mover's speech was one of condemnation and very little reasoning and his condemnation extended especially to the policy of the Government of India of twenty and more years ago. Dr. Datta gave us a scientific dissertation on opium with very little condemnation of the present policy of Government. In his attack on Mr. McWatters' speech in another place, the Honourable Mover referred to the findings of the Royal Commission of 1895 on public opinion in India. Well, I want to know what the public opinion in India about the opium question really is. I am not one of those who agree with the Commander-in-Chief that India is not a nation. I am perfectly ready to admit that India is a nation and even that public opinion can exist there. But that public opinion, as so often happens even with public opinion among western nations, is by no means unanimous on the subject of opium. The opium consumers themselves are generally dumb, else they would no doubt be in favour of free traffic in the drug. Their opinion is anyhow prejudiced and I think we must ignore it in this discussion. My colleague, Maung Tok Kyi, says that the Government of India have treated public opinion with contempt. Now, as far as I have been able to ascertain public opinion, it takes in India one of two main lines. One is the line taken by the Mover of this motion. It is the advocacy of complete prohibition. I have the greatest respect for this opinion which is held by many of the most respected men in the community, but I think it is formed on an incomplete examination of the facts and I do not think it represents the views of the majority in India. The other line advocates control but protests against the policy of the Government of India because Government carry that control too far. There is a considerable body of public men in India who talk about the sacrifice of revenue for a mere sentiment. They say that that sentiment is more British and American than Indian, and that, if India, at the bidding of the western

\* "That the Demand under the head 'Opium' be reduced by Rs. 36 lakhs."

nations, had to give up its opium revenue, she should be compensated for the loss of that revenue by the holders of that sentiment and usually more especially by the British Exchequer. I believe that that opinion more accurately reflects the opinion of a majority in India.

There are three main lines of policy open to a country situated as India is. They are (1) free traffic, (2) control and (3) prohibition. We may leave the first out of account. The second is the policy of the Government of India and is to my mind the only reasonable policy in present world conditions. Government assumed control by monopoly in very early years but very soon after, the amount of money which came in as revenue made them so frightened that they appointed a Royal Commission which reported in 1895. Those findings are the basis of the Government's policy to-day and they are therefore extremely important. Dr Datta has already read some to the House and I do not think I need mention any more than the sentence:

“We find no evidence of extensive moral and physical degradation from its use.”

The contention of Government is that those findings are as valid and true to-day as they were in 1895. We are continually being told, and we have been told by Dr. Datta to-day, that general Indian and world conditions have altered so much since 1895 that there is now good ground for a general advance towards Prohibition. I do not think that such a case has been made out, and would like to give the House some of my reasons.

First of all, let me admit that there does seem to me to be a certain inconsistency in the policy of the Government of India. They rest on the findings of the Royal Commission and they would have been justified by those findings in going on with their policy of control, without attempting to restrict consumption below the level at which it stood in 1895. They have not been content with this. They have flirted with Prohibition. It may almost be said that their policy during the last 10 or 15 years has been control with a view to final Prohibition. They have restricted allowances, decreased the number of shops, increased the retail prices and reduced exports enormously, with the result that a revenue of 941 lakhs in 1910-11 has shrunk to 166 lakhs in 1923-24 and to 131 lakhs in the revised estimate for 1924-25.

This is a sort of inconsistency, and protests have been made, as I have pointed out, against it, but on the whole the error, if it was an error, listening perhaps overmuch to the uninformed enthusiasm of the West, was an error on the right side, and we need have no misgivings in accepting the result as a *fait accompli*.

Since the Reforms, opium has become a Provincial subject, and in all provinces except Assam a Provincial Transferred subject. Since that time control of internal consumption has been a matter for Local Governments. The provinces have not like the Central Government sacrificed revenue, but they have reduced consumption by raising retail prices. These prices are now so high that they are probably incapable of further enhancement.

The revenues of Provinces were:

In 1910-11	...	...	...	164 lakhs;
1920-21 (last year under the old régime)	...	...	...	276 lakhs; and
1923-24	...	...	...	270 lakhs.

Control of internal consumption is not now therefore strictly relevant in this House. I submit, however, that the matter ought to be discussed in

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this House, because the policy of the Local Governments is a policy inherited from and encouraged by the Central Government, and moreover, the Provincial Governments are not members of the League of Nations and they can only defend their policy before the League of Nations through the Central Government which is a member.

As Burma is the only province in which a policy of Prohibition has been definitely adopted, I may perhaps be allowed to occupy the time of the House for a little in examining its results. The policy is generally referred to as Registration. We have two systems of registration in Burma, registration which is Prohibition, and a registration which is not. The Prohibition register refers to Burmans only, the other to non-Burmans, mainly Indians and Chinese. But these latter Maung Tok Kyi wish to be put on the same lines as Burmans. I think I can show that there are serious grounds for doubt as to the efficacy of the prohibition policy in Burma. In 1893 all Burman opium consumers were registered, and the register was then closed. But there were practical difficulties. It was found that all the consumers had not been registered. So, in 1902 the register was reopened and consumers who were over the age of 25 in 1893 were enrolled. In 1912, these Burman consumers numbered 11,019. In 1921, the number had fallen to 5,405. It may be noted in passing that all these 5,000 were over the age of 53 in 1921, a fact which confirms one of the findings of the Royal Commission in 1895 that opium consumption in moderation does not shorten life. These 5,000 are spread all over Burma, and as there are 40 districts in Burma, the district average of Burmese opium consumers would be round about 140. It is probably less now. There is no reason to think that Maungmya district, a paddy-growing delta district, had more than its fair proportion of these consumers. Recently, a zealous Excise Commissioner discovered that some of the cultivators and fishermen of this district had acquired the habit of taking small doses of opium medicinally as a protection against damp and fatigue. He persuaded the Local Government to reopen the Register for that district only, as an experiment, and on the strict condition that they were not to be allowed more than a small medical allowance. What was the result? On the day the Register was reopened, there were one thousand applicants for registration. I do not say that the same thing would happen in every district in Burma if the Registers were reopened, but from my own inquiries I know that the number of non-registered Burman consumers is large, especially in Arakan Division. I would hazard the guess that the number of non-registered Burman consumers in Burma is at least as large as the number of registered consumers.

This is one fact which deserves the deepest consideration of the advocates of Prohibition, and another is the increase in smuggling. In India the Central Government pays the cultivator about Rs. 13 or Rs. 15 for his opium, manufactures it, and sells to the Local Governments at Rs. 30 per seer. It is retailed at various rates in different Provinces. In Burma it is retailed at from Rs. 110 to Rs. 140 per seer. It is obvious that these figures offer tremendous inducements to smugglers. The Mover, Mr. Duraiswami Aiyangar, asked, "What does it matter whether China goes dry or not?" Well, Sir, I wish to maintain that it is the thing that matters enormously both to Burma and to India. (A Voice: "Why?") Most of the smuggled opium in Burma comes from the frontiers of China. About 99 per cent. of the illicit opium which is seized in Burma comes from China. China is the country which has prohibited cultivation but which

enforce its orders. In fact, it is this impotence of China which is at the root of all the differences between our representatives and the Americans on the League of Nations. The Yunnanese or the Shan cultivator will be well compensated if he gets the same amount as the Malwa cultivator. This opium is imported and carried all over Burma, and retails at about twice the price of shop opium.

In 1920-21, the latest year for which I have got figures, the amount of smuggled opium seized in Burma was over 2½ tons. The proportion seized to the proportion smuggled is of course unknown, but is variously estimated at from 10 to 50 per cent. Speaking in the Legislative Council of Burma on the 26th August of last year, the former Excise Commissioner, who was responsible for the experiment in Maungmya told of one consignment seized in another year which amounted to nearly one ton. The report mentions that the smuggling is being taken up by even the most unlikely classes of the community. In Mandalay 6,080 tolas were seized in possession of the Anglo-Indian stenographer of a high Government official.

The success of Prohibition in Burma is therefore a very doubtful quantity, and I think Assam would be well-advised to leave it alone and continue the policy of control.

Registration of a non-Burman is easily achieved. The consumer has only to prove to the local excise officials that he is a consumer, and he is forthwith registered and granted an allowance. I should like to say a word on behalf of the Chinese consumer, often a smoker. He is not the dope-fiend he is sometimes imagined to be. On the contrary, he is extremely moderate. One or two pipes in the evening usually suffice him, and they do not do him any harm. The Chinaman is one of the best citizens we have got in Burma. He is honest, hard-working and well-behaved.

To revert to the general internal consumption of all-India I maintain that the policy of the Government of India, as pursued during the last 15 years, practically meets the demands even of the Americans on the League of Nations. The main difficulty is that we cannot make our formula of "legitimate" needs agree with their formula of "medical and scientific needs." In India there is not the requisite medical staff to enforce this.

Dr. Datta referred us to Mr. Paton's pamphlet "Opium in India." In that pamphlet Mr. Paton suggests that we should investigate the possibility of allowing medical authorisation to consume opium to be given by "indigenous practitioners not on the medical register." I have no hesitation in saying that if you allowed authorisation in Burma by the local "medicine-man," the consumption of opium would double or treble itself in a year. The use of the word "legitimate" instead of the word "medical" means that the allowance can be fixed as now by the local excise officers and I contend that the results shown by this fixation prove that that system is the only practical system.

I should also like to say a word or two on Mr. Andrews's pamphlet. He publishes an interesting set of figures to show that the consumption of opium in India is about 12 seers to every 10,000 persons. The figures look as if they might have been compiled in a Government office, and so I had better not go too far in impugning them. The League standard is 6 seers per 10,000, and we are asked to work down to this. I doubt if the League would accept responsibility for the country where it has a local



[Mr. Tarun Rana Phookun.]

sure to say, "We have been making honest efforts and the consumption is gradually falling from the year 1920." The Honourable Sir William Reid, the Finance Member, had to admit, "I am not responsible for what was happening before 1921, but from 1921 I know that consumption is gradually falling." I maintain that it is the effect of the non-co-operation movement that is still working. My friend is aware that a Resolution has been carried for total prohibition. I am sure that some excuse will be found for shelving it again. My friend has not replied. I have to anticipate him and am, therefore, at a disadvantage. I am not sure what excuse he will offer on behalf of the Government. He will possibly say, "Oh, it is not possible to stop illicit sale of Malwa opium and stop illicit growth of the poppy." So total prohibition is out of the question. If Governments are really so helpless in that matter, which I do not believe for one moment, why not pass necessary legislation and entrust us with the work, and we will see that there is no illicit import of opium provided we are not sent to jail again. In a place like Assam, I can speak with confidence, it is quite possible to stop the illicit sale and import of opium. In other places it may be difficult. I am an Assamese. I have lived there and I have lived in troublous times and the Government had been pleased to send me to jail for twelve months for carrying on this temperance work, but I know for certain that the bulk of the opinion is in favour of prohibition. If we could bring the consumption down to that extent within 6 months, Government, if seriously inclined, could surely bring it down to a much larger extent. Why make untenable excuses? Why not plainly say, "We cannot afford to lose the revenue. You may pass Resolutions but you cannot make us act upon them." The Honourable Mr. Sinha of the Bihar and Orissa Government has made a candid confession in that matter possibly because he is after all an Indian. I will ask my friend to lay his hand on his heart, not his official heart but his human heart, and say whether the conditions in Assam are not very deplorable. Three-fourths of the population—men, women and children—in certain districts take opium. That has not kept them away from malaria or kala azar. Honourable Members may know that there are no trading centres in Assam. The labour population which comes to about 12 lakhs do not take opium yet. I am sure they will gradually do so. The tea planters are careful not to take men addicted to opium, because a man who takes opium is perfectly useless and that makes the quantity consumed in particular areas more startling. Smoking a pipe or two a day, just as recommended by the Honourable Government Member from Burma, might do good to some people, but taking opium regularly in the quantity which is allowed to be taken in Assam cannot but ruin the health of the strongest man. It has caused havoc in Assam. Therefore the only thing we can do is to associate myself with Dr. Datta in expressing our strongest condemnation of the policy that is being carried on by the Indian Government. The Assam Government always look up to the India Government and therefore if it is condemned here I am sure that the Assam Government will see that this opium traffic is not carried on in the manner it is done now. It is natural that my friend the Government Member wants to come last. I hope that somebody from my province will be allowed to reply to him because there is absolutely no excuse whatever so far as Assam is concerned for not adopting more drastic measures for reducing consumption. Only the other day we had made an inquiry into the opium evil. There were men from the Government side such as Rai Bahadurs, Government pensioners, doctors

and others who gave evidence. We had carried on the inquiry throughout Assam and even the hardened opium eaters told us "Save us from this habit; we cannot get out of it. You must do something to help us". This inquiry was finished only three months ago. The report will be published shortly. Mr. Andrews helped us in the deliberations and our thanks are due to him. The bulk of the opinion as recorded in the report is in favour of prohibition. I hope the Assam Government will this time—I am only expressing a pious hope—accept the Resolution for total prohibition and will work upon it. If it is not good for any other part of India, surely it is good for Assam. I desire once again to associate myself with the remarks of the Honourable Mr. Dulaiswami Aiyangur and Dr. Datta and support the cut proposed.

**Mr. Kamini Kumar Chanda** (Suima Valley *cum* Shillong: Non-Muham-madan): After the very able speech of my Honourable colleague Mr. Phookun there is not much left for me to mention here and I should like only to supplement what he has said and some of these things have been dealt with most ably by my Honourable friend Dr. Datta. Sir, the House must have seen from the figures which my friend Mr. Phookun placed before it that Assam is the worst place in the whole of India, Burma included, where the opium evil has attained the most frightful proportions. There is no place in the whole of India where you will find so many persons addicted to the opium habit; where you will find so many infants drugged by their mothers for the purpose of keeping them quiet while they go to work. My friend has given you the figures for the districts of Assam. The figure for the province of Assam is 52 seers taking 6 seers to be the index figure, according to the figures of the League of Nations. I wish to point out that this figure is rather low. The correct figure should be higher. Assam includes the Sylhet district. The House was told the other day by my Honourable friend Mr. Aney, who moved a Resolution for the transfer of Sylhet to Bengal, that Sylhet was a Bengali district wherein 94 per cent. of the people talked Bengali. Now it is a fact that Bengalis do not as a rule take opium. Sylhet by itself contains more than one-third of the whole population of the province. The population of Sylhet is  $2\frac{1}{2}$  millions and the whole province has 7 millions. Now in Sylhet itself the figure is .9 seers per 10,000 population. Similarly in Goalpara, where there is a large Bengali population, the figure is only 2 seers. Now, if you exclude Sylhet and Goalpara from Assam, the figure for the province will be much higher than 52. As it is, it is the highest figure of any province in the whole of India, Burma included. Thus, as I say, Assam is the worst place in the whole of India, where this evil has attained the most frightful proportions. That being so, I submit Sir, that if in any province opium ought to have been a transferred subject, it is Assam. But unfortunately Assam is the only province where opium is a reserved subject. In this connection, Sir, I am surprised to find that not only Mr. Campbell but the Honourable Sir Basil Blackett made the statement that in the whole of India opium is a transferred subject. I will just quote you the answer of Sir Basil Blackett. . . .

**The Honourable Sir Basil Blackett:** I do not dispute the fact that it is reserved in Assam. (Laughter.)

**Mr. Kamini Kumar Chanda:** Sir Basil Blackett admits having made a statement in this House that opium was a transferred subject. Why did he make that statement? Was he unaware of the fact that in Assam it was

[Mr. Kamini Kumar Chanda.]

not a transferred subject? And Mr. Campbell in the League of Nations not only said that, but he said that if the people of India wanted to put a stop to it they could easily do it. But as you know, in Assam it is not a transferred subject. It is a reserved subject, and the Assamese complain that it is due to the action of the last Chief Commissioner of Assam, Sir Nicholas Beatson-Bell, now the Reverend Sir Nicholas Beatson-Bell, a missionary of the Church of England in Kidderpore, the Reverend Sir Beatson-Bell. It was due to him that opium continues to be a reserved subject in Assam. There is some justification for this complaint, but it was due to him that opium was not a transferred subject. He was intolerant of any criticism of the excise policy of Assam. I may mention one incident to show this before this House. Rai Bahadur Phanidhar Chaliha, a retired Extra Assistant Commissioner, was a Member of the Assam Legislative Council. In 1919 he made a remark in his speech criticising the excise policy of Assam and condemning the revenue from opium which he characterised as tainted money. Sir Nicholas Beatson-Bell was the Chief Commissioner and President of the Council. He flew into a terrible rage in the Council at this and openly insulted the Rai Bahadur in the Council for his statement.

**Mr. W. A. Cosgrave:** Sir, on a point of order I would ask your ruling as to whether the Honourable Member is justified in attacking a retired officer of Government who is not here to defend himself.

**Mr. Kamini Kumar Chanda:** I am just explaining that the Assamese are justified in their complaint that opium continues to be a reserved subject on account of the action of Sir Nicholas Beatson-Bell. Sir Nicholas Beatson-Bell said that this Member of the Council, the Rai Bahadur, as an officer of the Government, had himself participated in the immoral policy of the Assam Government, and he had drawn his pay and was drawing his pension from this tainted money, and it was put up to him to refund that amount. This matter was brought to the notice of the Viceroy, Lord Chelmsford, but he did not interfere, and then it was carried up in appeal to the late Mr. Montagu. Mr. Montagu would not at first believe that the President of a Council and ruler of a Province would so far forget his position as to insult a Member for doing his duty honestly in the Council. But afterwards when all the papers were sent to him he decided that Sir Nicholas Beatson-Bell was to apologise to Rai Bahadur Phanidhar Chaliha. I shall not repeat the subsequent history of this matter. It is clear then that the complaint of the Assamese that it was due to this ruler, Sir Nicholas Beatson-Bell, that opium continues to be a reserved subject in Assam is justified. If opium had been a transferred subject the Government would have been forced before now to put a stop to it. In 1922 Mr. Rohini Kanta Hati Barua was able to move a Resolution and get it carried in the Council that the ration opium ought to be decreased by 10 per cent. every year. That Resolution was carried by the Council but the Government have not paid any heed to it. And only the other day, on the 4th March, Srijit Kuladhar Chaliha, a worthy son of a worthy father, a son of the late Rai Bahadur Phanidhar Chaliha, moved a Resolution and got it carried in the Council recommending to the Government that the sale and consumption of opium in Assam except for medicinal and scientific purposes be totally prohibited. Now we have to see whether the Government will pay any heed to this. We know the Honourable Sir William Reid, the Executive Councillor of the Assam Government, opposed it and it is very unlikely that he will pay any attention

to this Resolution. My friend Mr. Phookun spoke of a committee and I will just give you a list of the persons who were examined:

"The Opium Inquiry Committee whose report is about to be published examined 326 witnesses, almost all of whom are for total prohibition except for medical and scientific purposes only. Of the witnesses 26 are Government pensioners, 10 title holders, 11 Chairmen of local boards and municipalities, 22 medical practitioners, 72 opium eaters, and the rest are public men of all shades of opinion."

Mr. H. A. Cosgrave: "Who are the members of the Committee?" Some of the leading men of Assam. Now, Sir, there is another point on which I wish to draw the attention of the House, and that is the very inaccurate statement of Sir Basil Blackett. It was stated that opium eating is not so harmful as opium smoking and opium smoking is practically not in existence now.

Mr. N. M. Joshi: Are you an expert in this matter as Sir Basil Blackett is?

Mr. Kamini Kumar Chanda: I do not claim to be. I am told that this is the real fact, and if I may mention it my old friend Mr. Cosgrave said at the other day. Mr. Campbell said the same thing in the League of Nations, that there was no opium smoking in India. And I find the Honourable Sir Basil Blackett made the same statement in this Assembly in answer to questions Nos. 338, 339 and 340 on the 27th January 1925, published in Volume V of the Assembly debates, page 285. What he then said was:

"Burma is the only province in India in which opium is smoked to any large extent, etc."

Mr. Campbell made the same statement there. I will tell him what the answer of the Assam Government was on this point. On the 4th March the following question was put in the Assam Council:

"(a) Have the Government of Assam seen the report in the press some time in the month of November last, to the effect that Mr. John Campbell, the representative of the Government of India in the League of Nations Opium Conference in Geneva, said that there is practically no opium smoking in India?

(b) Are the Government of Assam in a position to say that there is no opium smoking in Assam?"

The answer of the Assam Government was this:

"(a) The Government have noticed in the press a statement ascribed to Mr. Campbell at the meeting of the Opium Conference of November the 6th last at Geneva to the effect that the problem of opium smoking did not exist in India. Without the records of the proceedings which they have not yet received, they are not prepared to assume that Mr. Campbell has been correctly reported.

(b) This Government are aware that opium is smoked in Assam, and the Government of India must also be aware of this."

I wonder how in the face of this the Honourable Sir Basil Blackett made the statement that opium smoking is confined only to Burma. (*The Honourable Sir Basil Blackett*: "I did not say that it was confined to Burma.") I do not know what other meaning his reply can have. Sir, my Honourable friend, Mr. Phookun, has stated how this opium evil has been to some extent reduced in Assam: this was so through the action of the non-co-operators, 2,000 of whom had been sent to jail. I may supplement that statement by stating the fact that not only this, but

[Mr. Kamini Kumar Chanda.]

Mahatma Gandhi visited Assam in September 1921 and a propaganda was started in November 1921 and between November 1921 and the 1st April 1922 these people were sent to jail, and in six pieces in Assam Gukhas were let loose and Punitive Police Guards posted. It is in this way that the non-co-operation movement was killed in Assam. Government themselves have admitted in the Excise Report for 1922 that the reduction in opium revenue was due to Mahatma Gandhi's preaching and the propaganda, and Mr. Campbell, while defending the Government of India's policy before the League of Nations two years ago, found himself compelled to take shelter under the name of Mahatma Gandhi. But this year, when the American delegates proposed to put in a petition signed by Mahatma Gandhi and others for putting an end to this evil, Mr. Campbell rose to oppose it and it was ruled out of order. Sir, Mr. Phookun has made the statement what the fall from 1921, when Mahatma Gandhi visited Assam, was. The full effect was more marked in the following year when there was a drop of 600 maunds. Although so many workers were sent to jail, there was the momentum set going leading to a decrease in consumption, but unless Government are more sympathetic there is no guarantee that there will not be a lapse. What the Assam Government is seriously concerned with is any decrease of excise revenue. The second best source of revenue in Assam is excise. It yields more than 39 per cent. of the total receipts of the province, and it is no wonder that Government should be anxious to keep it as a reserved subject and should be concerned about the fall in the income from opium. Sir, I do not think I have anything more to place before the House by way of supplementing what my Honourable friend Mr. Phookun has said, and I do not think I would be serving any useful purpose by repeating all the arguments. Sir, I associate myself with the remarks of my Honourable friend Mr. Phookun.

**Sardar Bahadur Captain Hira Singh Brar** (Punjab, Nominated Non-official): Sir, I rise to say a few words in this connection. I have heard that perhaps thousands of children, thousands of women and thousands of labourers die annually by taking small doses of opium. Old men too I believe are said to have died from this cause in the Assam Hills and in Bengal, but none of them so far as I know have died from this cause in the Punjab. I am not in favour of encouraging the habit of consuming opium, but at the same time I am not in favour of the total stoppage of the sale of opium. In my part of the country, Sir, opium is very generally used (*An Honourable Member*: "Do you use it?") both as a stimulant and a tonic after a hard day's work and as a cure for various diseases. And, Sir, taken as it very generally is in small moderate doses, it does no harm but on the contrary has beneficial results sometimes. So general, Sir, is its use among many of my people that in some Sikh regiments opium is carried as part of their rations on field service and a small dose of it is on every occasion issued to the men as part of their rations, I mean to the habitual users of course. Now, Sir, the argument for prohibition is always this, that indulgence in opium or any similar drug or liquor leads to intemperance and thereby ruins the physique and morality of the user. But, Sir, excess of anything is bad and, further, the man who takes anything in excess is really a man of weak character, and no amount of legislation with a view to prohibition will ever prevent him from giving way

to his appetite. If he cannot get opium, he will probably go in for something worse, for example, *bhang*, as I suppose many of my friends here drink every day (Laughter), or *charas*, as several do, or a little peg to get rid of the day's fatigue. That is always the result of total prohibition. The men of weak character probably go in for some drug which is worse than that prohibited. If you prevent the use of one drug, naturally that drug goes but only to give way to some other kind of drug. And the people of strong character, accustomed as they have been to a moderate stimulant, would very often turn their energies to the illegal acquirement of what they consider they have been unjustly deprived of. And what is the result of total prohibition? As in the case of America, it would lead to an increase of lawlessness in large sections of the people (*An Honourable Member*. "What is the medical opinion?") The medical opinion is meant for weak persons like you, not for strong persons who possess a good physique and strong morals. I do not think that at this stage we can afford to create similar lawlessness in India. Well, Sir, I think towards the evening, as I am sure I am much interrupted, I shall be compelled to take a little dose of opium with a glass of hot milk (Laughter) to get rid

of all this worry, fatigue and exhaustion. Many of my Honourable friends, the previous speakers, could get up quite fresh and cheerful next morning. I oppose this motion to do away altogether with opium, and I think it will do more harm than good. I assure this House that they need not be afraid at all that a small dose of opium will kill anybody who is not actually sitting the whole day in a shut-up house like this.

**Mr. W. A. Cosgrave** (Assam: Nominated Official): Sir, before I deal with the speeches of my two Honourable friends from Assam, I would like to congratulate Dr. Datta on his extremely interesting and very moderate speech. Speaking as an officer who has had the fortune or misfortune to serve in some of the heaviest opium districts in Assam, I only wish that all temperance reformers showed the same moderation in their views and in their way of expressing their views as Dr. Datta. I see no reason why we should not try real temperance. But if his views mean prohibition as I understand they do not, I do not agree with prohibition. Does Dr. Datta want prohibition? No. Dr. Datta as far as I understand him wants real temperance, not prohibition. Therefore I agree with much of what Dr. Datta says.

**Dr. S. K. Datta**: I am afraid the Honourable Member is labouring under a misapprehension. As a member of the medical profession I have to say that most members of the medical profession cannot but view with dissatisfaction the giving of opium without restriction, except of course for purely medicinal purposes on a doctor's advice.

**Mr. A. Rangaswami Iyengar**: That is prohibition.

**Mr. W. A. Cosgrave**: Sir, many Members must have seen in the last few days this pamphlet written by the Reverend C. F. Andrews. It has been circulated in the Library for the last week presumably for the purpose of propaganda in connection with this debate (*Mr. N. M. Joshi*: "Education.") I would point out that he mentions on page 2 that Assam is far the worst of all provinces with the alarming opium consumption rate of 52 seers per 10,000. In some districts of Assam where the Assamese predominate the rate goes up to 173 seers per 10,000 and 189 seers per 10,000

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and even to 200 seers in the instance of Assam. Now, Sir, the consumption is 189 seers per 10,000 people in the Darrang Valley. I was Deputy Commissioner from 1920 to 1921, and I am not a person of opinion. I know (I have) that you put Mr. Phookun in. No, I did not put Mr. Phookun into jail, but I put him in jail. Now, Sir, I do not want to deal with Mr. Phookun. I only remark I would like to make it clear that I think it is a pity that he ever held a position of trust in the Government. But in his life Governor of Assam I think that the officials and church leaders were quite irrelevant to the fact that the Government of Assam had been put in Mr. Chunder Mohan Choudhury. I think that Sir

**Mr. Kaminī Kumar Choudhury:** I have a question to ask. With reference to the statement of Mr. Choudhury that he has never been in communication with the Governor Sir John Lubbock, I am sorry to hear that. He has been extremely kind to me in the past, and would always state what was the fact in the public interest.

**Mr. W. A. Gosgrave:** Now, Sir, turning to the speech of Mr. Tarun Ram Phookun, he has asked me to explain to the House what is the Government of Assam's policy to combat the spread of the opium in a number of the Assam districts. Well, Sir, I propose to do this well rather than I sit down, to give a detailed answer. It has been done, and I would like to explain to the information of the members who are sitting on the other side of the House that the consumption of Assam had come down very much even before the commencement of the recent study. I can give you a rough idea of the figures of consumption in Assam for the five years beginning with 1919-20. Before the commencement of the study it was stated that the consumption in 1919-20 was 12,000 lbs. I give the figures in lbs. I may explain to you that the figures collected by the Central Board of Revenue. I believe in the League of Nations. I am sorry it is not in seers, but I am sure if a reliable Member could easily convert them into seers. Mr. Tarun Ram Phookun has argued that the consumption of opium has not decreased in Assam. He has tried to make this out, but as I could tell what his frame of mind was, I have quoted the revenue figures. Of course the revenue figures have come up because

**Mr. Tarun Ram Phookun:** I have quoted the quantity consumed, and I have the revenue derived from opium. I did not give the revenue figure, but

**Mr. W. A. Gosgrave:** I can give the figures—the figures of consumption per ten thousand people in seers. I propose to give them for the four principal districts of the Assam Valley, namely, Darrang, Nowgong, Sibsagar and Lakhimpur, which are the great opium consuming districts. Now in 1892-93 the consumption per 10,000 for the Darrang district was 262 seers—in 1922-23 that has been brought down to 106 seers, that is more than half. For Nowgong the figures for 1892-93 were 277 seers, in 1922-23 after thirty years they are 173 seers, for the Sibsagar district the figures for 1892-93 were 319 seers and thirty years later they were 110 seers, that is, they had been reduced to one-third, while as regards the

district of Lakhimpur it is a well known fact that the consumption of opium in this district in 1920 was 523 seers and twenty years later in 1940 it was 189 seers the figures quoted in the Honorable Mr. Aitken's pamphlet.

**The Honourable Sir Basil Blackett** Is it not about a 25 per cent?

**Mr. W. A. Cosgrave** I am very sorry to say in 1940 I think these figures are not correct. The Hon. Mr. Aitken's pamphlet is out of date.

**Mr. Kamini Kumar Ghosal** If it falls the reduction is only one hundred in pounds!

**Mr. W. A. Cosgrave** I am not dealing with ancient history and I do not propose to go back to the past but I have to say that I propose to talk of what happened in the last thirty years. Now Sir, what I propose to talk of is by the Assam Government to control the use of opium. Everybody knows that from the year up to 1860 the consumption of opium in Assam was almost unlimited. So as to what control was taken from that time and in recent years the Government have taken much more stringent steps—in fact they have taken every step to control the opium trade short of prohibition. Now, since the 1900s more steps have been taken to make it difficult to get opium. An acre has been made in the price of opium. I think the price in 1921-22 the price per seer was Rs. 65, in the following year it was raised to Rs. 70 per seer and in 1923-24 the price was raised to Rs. 75. At the same time a corresponding increase was made in the maximum retail price permitted to vendors. I will quote the figures of Honorable Mr. Aitken. I cannot mind a few details of the figures. In 1921-22 the maximum retail price was Rs. 1-6-0 a tota in 1922-23 the price was raised to Rs. 1-8-0 in 1923-24 the price was raised to Rs. 2-0-0. This is the real explanation why when the consumption goes down the revenue goes up. I think that my Honorable friend Mr. Phookun has quite failed to grasp the point.

Now Sir the second step taken is that every shop is rationed. The ration is fixed before the beginning of the financial year by the Commissioner of Excise, now the Divisional Commissioner in consultation with the district officers and no increase is allowed during the year in the district ration without the sanction of the Local Government or the Excise Commissioner. Further rationing has been made of all the opium centers in Assam. In other words all the opium is noted down in the opium shops and one effect is that it attaches a certain amount of social disgrace to people whose names appear in the register. I do not want to deal with the system described by Mr. McCallum as existing in Burma but so far we have found it impossible to introduce the system of tickets into all the Assam districts. These tickets are like gun licences and so far these have been introduced only into the frontier tracts the Sadiya Frontier Tract the Naga Hills and the North Cachin Hill where Political Officers have very wide powers, powers which some Honorable Members might not quite appreciate. We find that it is almost impossible with a very large population of opium eaters to deal with these registration tickets in an ordinary district. I do not think Honorable Members know what these tickets are like. If you introduced the ticket system into the Lakhimpur District—supposing two totas of opium are the maximum allowed to a person at one sale you would have to enter in the register



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and in each ticket each sale of two tolas to each individual person in the case of 22,000 people, and you can imagine what amount of work would be involved in this matter. I would like to tell my Honourable friends that in 1923-24, the last year when I was in Lakhimpur, the opium issues from the Treasury in that year were reduced by 23 maunds. Now this quantity is not very much to people who can only think in terms of the League of Nations, but I think that in an opium eating district a reduction of 23 maunds is a substantial decrease, and I would tell the House what happened on account of that substantial decrease. A large number of shops were closed very often for some days at the end of the month. In other words, the amount rationed was really insufficient. Several of these opium eaters used to come to me and complain to me about their wants, they used to complain that the opium shops had insufficient stocks. People came to me with bitter complaints. Here I would like to mention one point in which my Honourable friend Mr. Phookun tried to anticipate my arguments, and it is this. If you try to restrict the supply of opium too much, you have two new evils to contend with. (*A Voice*: "What are they?"). The two evils that you will have to contend with are the smuggling of Malwa opium and illicit poppy cultivation. Now my Honourable friend Mr. Phookun has tried to anticipate my arguments by saying that illicit cultivation is quite impossible. I do not know whether it was he who gave this information to the Rev. C. F. Andrews, but I shall just read what Mr. Andrews says: "On the other hand, it is easy to detect how much opium poppy with its white flower is being grown." All I can say is that this may be true as regards the open plains of Hindustan where you have got large wide fields, but in the jungly parts of Assam, especially towards the foot of the hills, and on the north bank of the Brahmaputra, there are a large number of places where illicit cultivation of poppy may succeed. I know from my own experience that there were several places in the Lakhimpur district where illicit cultivation of opium was carried on. If, therefore, the supply of opium is cut down too much, the people with their keen demand for opium will, I am sure, be able, however wrong it may sound, to square both the village headman and the village accountant.

**Mr. Devaki Prasad Sinha:** What are you there for?

**Mr. W. A. Cosgrave:** I am there to do other work as well. I am not supposed to go round every village.

Now, Sir, the other point I mentioned was about the import of Malwa opium. If Honourable Members will bear with me for one minute, I can tell them an interesting story of opium smuggling which I personally detected, thanks to one Marwari falling out with another. I got secret information that a large amount of Malwa opium was coming up on a certain date consigned to a man under a fictitious name. I got delivery of these two bundles of cloth from the Railway company because these bundles were booked as cloth, all the way up to Assam, and inside these bundles of cloth I found 38 seers of Malwa opium. All I can say, therefore, is that, if you cut down too much the supply of opium, we will have to face the imports of contraband Malwa opium into Assam.

Now, Sir, I have already told the House about some grievance of the opium consumers. I suppose Mr. Andrews or some of the temperance reformers refer to these people as addicts, but how do they fare when they cannot get their ordinary dose? Well, Sir,

I must say that I was rather surprised at Mr. McCallum saying that he did not think it was necessary to consult the wishes of the opium consumers. Personally, I feel a considerable amount of sympathy with opium eaters. (Applause). I am not an opium eater, gentlemen, (Laughter), and I am not going to regale the House at this late hour with my own reminiscences in this matter, but I have a considerable sympathy with the poor opium eater, especially with those who live in very jungly and malarious places in the submontane parts of Assam. I have had opportunities of touring in some of the most jungly parts of Assam. I did the census in 1911 in the Mikir Hills, which is one of the chief opium areas, and in the last census I was in the Lakhimpur district and toured among the villages at the foot of the Abor and Naga Hills.

**Mr. Devaki Prasad Sinha:** Did you also take opium?

**Mr. W. A. Cosgrave:** No, I took Whiskey as some of my Honourable friends do. (Laughter.) Now, Sir, I do not want to labour that point. But it seems to me that it is quite unfair to insist on prohibition for one class of people and in one class of exciseable article and not to observe it in another excise commodity used by other classes of people. Why should the poor cultivator living in a malarious tract be deprived of his dose of opium at the end of his day's work? He can only get two tolas of opium at a time and he frequently has to go 20 miles to get that two tolas. Why should he not have his dose of opium as much as a rich Member of the Legislative Assembly enjoys his glass of wine or perhaps even two at either Maidens' Hotel or the Raisina Hostel?

Now, Sir, I do not want to say anything more except to say that I have got no mandate in this matter from the Government of Assam but personally I see no objection if Government agree to appoint a representative committee to inquire into the opium question in India. I can see no objection at all to this proposal. One reason is that the last Royal Commission was held in 1895 since which time much water has flowed down the Ganges and it will do no harm if another committee of inquiry is now appointed. My reason for holding this opinion is that I think that if an authoritative inquiry was held, on which people of moderate views like Dr. Datta were represented, then I think it might be possible to dispose of many of the exaggerated and wildly hyperbolical stories that are invented about the evils of opium eating in India and especially in Assam.

APPOINTMENT OF A COMMITTEE TO INQUIRE INTO THE POLICY OF THE GOVERNMENT OF INDIA BOTH IN REGARD TO THE EXTERNAL AND INTERNAL CONSUMPTION OF OPIUM.

**Diwan Bahadur M. Ramachandra Rao** (Godavari cum Kistna: Non-Muhammadan Rural): Sir, I gave notice of a motion on this subject. The Honourable Members will find it as item 40 on the agenda paper. The motion is:

“That the Demand under the head ‘Opium’ be reduced by Rs. 100.”

I suggest the appointment of a committee to examine the policy of the Government of India both in regard to the external and internal consumption of opium. Sir, if it is permissible, I should like to move this as an amendment to my Honourable friend Mr. Duraiswami Aiyangar's motion.

**Mr. V. J. Patel:** May I rise to a point of order. The motion is to omit the whole grant. Is this amendment in order?

**Diwan Bahadur M. Ramachandra Rao:** Sir, the point that I wish to make is, as has been pointed out by Mr. Cosgrave, that the last inquiry on the subject of opium was made in 1895. I would also invite the attention of Honourable Members to the Devolution Rules under which both the Provincial Governments as well as the Government of India are responsible in this matter. Under Article 60, Excise is a Provincial subject but with the exception, in the case of opium, of control, cultivation and sale for export. These are matters for the Central Government. Therefore, Sir, the point that I wish to bring to the notice of the House is that in regard to the control or cultivation, the manufacture and the sale for export, the Government of India are responsible. But in regard to the actual administration of excise, the sale in the provinces and the internal consumption in the provinces, the Provincial Governments are mainly responsible and it is this division of functions to-day that accounts for the fact that the representatives of Provincial Governments have undertaken to defend the policy of their respective Governments. Therefore, Sir, if this question is to be fairly and satisfactorily solved, it seems to me that there should be a comprehensive inquiry not only with reference to those questions which are within the purview of the Government of India, namely, cultivation, manufacture and sale for export, but also in regard to the actual administration in the provinces. I therefore think, Sir, that the time has come when such a comprehensive inquiry should be undertaken and it is with that object that I tabled the motion for the constitution of such a committee.

Sir, some reference was made by my friend Mr. Datta to the state of things in Madras. I may point out that in regard to the districts with which I am connected the consumption of opium is much more than in other parts of the Presidency. I am referring to the northern districts and the Agency Tracts. Ganjam consumes 22,957 seers per 10,000. My own district has the honour of taking 66,137 seers per 10,000 of the population. Then the Kistna district, which is also within my constituency, takes 19,971, whereas the Deccan districts appear to consume very little. The city of Madras, which my friend Mr. Rangachariar represents, consumes 26,323. Then the next is the Nilgiris with 21,21, whereas Chingleput and North Arcot show comparatively very little consumption of opium. It seems to me, Sir, there must be some climatic or other reasons why the consumption varies in the various groups of districts and it seems to me that that is a matter for some inquiry. Then we have had statements made in this House which are absolutely irreconcilable. Some insist that the sale of opium should be under control while the popular opinion is that there is nothing wrong if opium is taken in small quantities as Captain Hira Singh stated to-day. Therefore, Sir, this is one of those subjects in which there has been a considerable amount of public opinion in recent years and it is clearly a matter in which Government ought to undertake an inquiry and not only with regard to internal consumption but also with regard to sale outside India to which prominent attention has been drawn in connection with the sittings of the Geneva Conference. I hope, Sir, that this inquiry will be undertaken and that all aspects of this case will be threshed out by a representative committee. I commend this motion to the Honourable Members.

**Mr. President:** Amendment moved to the original amendment:

"That the Demand under the head 'Opium' be reduced by Rs. 100."

**The Honourable Sir Basil Blackett** (Finance Member): Sir, in view of the time this evening and the fact that on an important debate of this sort it is important that the Government's reply should be full, I should like to consult the opinion of the House on the question whether they desire to listen to a speech which must approach an hour's length and may be, if not an opiate at any rate a soporific, at this period of the evening. (*Cries of "Let us finish."*)

**Mr. President:** If the Honourable Member really wishes to speak at length on it, I had better adjourn the debate. There may be one or two other Members who wish to speak as well.

**\*Pandit Madan Mohan Malaviya** (Allahabad and Jhansi Divisions: Non-Muhammadan Rural): May I point out, Sir, that the time at our disposal is very limited and that therefore we should continue the meeting now and if necessary sit later in the evenings in order that the many items on the programme should have some chance. We have very little time at our disposal, Sir, and I think we ought to go on with the discussion and also sit late in the evening.

**Mr. President:** I am quite ready, other things being equal, to sit in the evening, but I may point out that the debate on Opium was raised at Twenty Minutes to Three and it is now Half Past Five and not once has a closure been moved. The Chair must take into account whether the closure is moved in order to judge of the attitude of the House. I am not prepared either to make the House sit late or to sit myself now when the closure is never moved at all. Honourable Members must protect themselves and the Chair against that.

The Assembly then adjourned till Eleven of the Clock on Friday, the 13th March, 1925.

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\* Speech not corrected by the Honourable Member.



